Daily Report

Latin America

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Cuba

Foreign Minister Interviewed During PRC Tour

FL2206022693 Havana Radio Rebelde Network in Spanish 2300 GMT 21 Jun 93

[Interview with Cuban Foreign Minister Roberto Robaina in Beijing by Roberto Cavada on the Exclusive Program—live]

[Excerpts] [Cavada] Good evening to all of Cuba. We have direct, live communication via satellite with Beijing, capital of the PRC, where Cuban Foreign Minister Roberto Robaina Gonzalez, just minutes before departing to tour another of the Chinese provinces, granted us an interview for Radio Rebelde's "Exclusive" program. A good morning to you, Mr. Minister.

[Robaina] Yes, we are already in the early hours of the next day. Good morning.

[Cavada] First of all we would like to know firsthand details of your meeting with Chinese Foreign Minister Qian Qichen. [passage omitted including previously filed material]

[Robaina] I think we have had, and made possible a mutual exchange for and extensive explanation of the Cuban reality, assessment of our trade and economic relations, and above all, have expressed the appreciation of the Cuban people and the Cuban Government for the response China has made in overcoming the catastrophe that recently affected us. I believe there has been an understanding that has materialized in proposals and response. But, above all, we have expressed our appreciation on behalf of the Cuban people for the warmth and kindness we have felt here like nowhere else.

[Cavada] I have learned that this morning—for us it was this morning, and for you, in Beijing, it was afternoon—you met with the ambassadors from Latin America, Spain, and Portugal, who are in China for the Third Iberoamerican Summit to be held in Bahia, Brazil. Is this correct?

[Robaina] It was an important meeting. They, as well as our embassy in China, saw the opportunity as an important occasion. We held a meeting with all the ambassadors from Latin America, Spain, and Portugal. Two main topics were discussed during the meeting: firstly, the results of the Vienna summit—to what extent did the conference help, or not. We discussed everything relating to the topic of human rights; secondly, the way in which Brazil and all of Latin America had prepared for that summit.

[Cavada] According to sources, during the meeting you were able to speak to Cubans, who, one way or another, work or study in China.

[Robaina] We had other things on the program for the day. We held a meeting in the parliament with the vice president of the parliament. I also just met with the whole collective of Cubans, pertaining to the diplomatic mission, others who are here for other reasons, and with a group of students who are specializing in the Chinese language. We have held a meeting that allowed us to communicate to them the reality of our country and the way in which our people make important efforts to confront those adversities.

Tomorrow... [Changes thought] Later on, in a few hours, we will tour some factories; we will meet with the vice president of the PRC. Later in the day, we will meet with representatives of the Council of State; and in the evening, we will depart to the south of the country, where we will carry out an extensive program of exchange and where, to our satisfaction, we will have the opportunity of meeting with our female volleyball team, which is in the city we will be visiting.

I would say they are an example of the best foreign ministers in times like these. I believe that, like no other person, they represent the dignity, the dedication, and the way in which our people, in the sports field as well, demonstrate the fruits that have been achieved over the years.

[Cavada] Minister, I believe that, through this triumph of the female volleyball team, we can summarize the actions of all Cubans in Cuba and abroad, in from the most complex to the most simple fields. Undoubtedly, they are the main card of current Cuban diplomacy.

[Robaina] I feel very satisfied and proud of that. I ask that you greet all on my behalf. I reiterate that I only want to fulfill the mission that has been given to me and to be able to return to Cuba, which is the most important thing to us.

[Cavada] Thank you very much. We have just held a conversation with Cuban Foreign Minister Roberto Robaina Gonzalez, who, as has already been mentioned, is carrying out a work visit to the PRC. Thank you and good evening.

Meets With PRC Counterpart

FL2106181693 Havana Radio Rebelde Network in Spanish 1700 GMT 21 Jun 93

[Text] Today, Cuban Foreign Minister Roberto Robaina Gonzalez met with his Chinese counterpart, Qian Qichen, on the third day of his visit to Beijing. It is about 0100 in Beijing right now, and the Cuban Foreign Minister interrupted his sleep, before leaving for the south of China, to tell us about his meeting with Qian Qichen.

[Begin recording] An intensive program has been completed, in which the results have already surpassed the prospects and possibilities of our visit. We had the possibility of a very extensive, frank, faithful, and fraternal meeting with the Foreign Ministry and in particular with Chinese Foreign Minister Qian Qichen. I think we have had and we made possible a mutual exchange for an extensive explanation of the Cuban reality, to

assess our trade and economic relations, and above all to assess the way in which Cuba and China, in the international scene, deal with matters and events of mutual interest.

It has been very important for us. I think we have had the possibility of a series of exchanges, I reiterate, in which we achieved communication at the level which traditionally we already have with other peoples. [end recording]

Civil Aviation Agreement Signed

FL2106155593 Havana Radio Reloj Network in Spanish 1402 GMT 21 Jun 93

[Text] A civil aviation agreement between Cuban and Chinese airlines was signed in Beijing with the presence of Cuban and Chinese Foreign Ministers Roberto Robaina and Qian Qichen. The document, signed by Cuban Ambassador Jose Armando Guerra Menchero and a deputy director of the Chinese Civil Aviation Administration, provides the legal basis for the exchange of flights between the two countries.

The reports add that this does not mean Cuban and Chinese civil aviation authorities will begin operations immediately, but rather when the parties decide to do so. The Chinese airlines emerged 70 years ago and, according to official sources, have more than 400 aircraft of 32 types, including Boeing airplanes.

Latin American Situation Discussed

FL2106125393 Havana Radio Rebelde Network in Spanish 1155 GMT 21 Jun 93

[Text] In reference to his meeting today with Qian Qichen, his Chinese counterpart in Beijing, Cuban Foreign Minister Roberto Robaina told the press that they spoke about their respective general positions on a group of topics relating to the international scene. In his third day of visiting Beijing, Robaina referred to China's special interest in the situation in Latin America and the way in which Cuba fits in, including preparations for the Ibero- American summit to be held in Salvador, Brazil.

* Residents View Food Shortages, Black Market

93CA0135B Mexico City EXCELSIOR in Spanish 20 May 93 pp 1-A, 19-A, 20-A

[Part 1 of a 4-part serialized article by Gloria Analco]

[Text] Havana, 19 May—Government authorities have begun to prepare the populace to face the Zero Option, a high-ranking official has revealed. And this possibility is really not very far off, since the economic situation in general has deteriorated dramatically.

The Communist Party of Cuba (PCC) is coordinating all ministries and directors of state enterprises (those that are left) in the effort to reassign personnel to workplaces closer to their homes, because "in a few more weeks there will not be enough transportation to carry them."

The word is that not a single school will be shut down, nor any hospitals. At every workplace, employees have been asked if they are willing to commute by bicycle. Those who have said no are told they will be reassigned to jobs near their homes.

Power outages are increasingly frequent; transportation is also slipping fast; doctors continue seeing patients, but medicine is in short supply; the schools are still open, but teachers, seeking higher pay, are leaving in droves, and an increasing number of students do not attend school for various reasons related to the economic crisis; and the ration book, the safety net providing protection from dire poverty, has been reduced to a pathetic level, while supplies on the black market have also shrunk.

The so-called Zero Option, however, is no longer what it was envisioned to be at the beginning of the "special period," as Cuban petroleum production will be enough—according to more recent plans—to keep some basic production going, as well as some transportation, a television channel with limited programming, and about four hours a day of electricity for the population.

Many emergency measures are now being adopted by the Cuban Government, while others are under study. For example, the retirement age may be set at five years earlier, to give job opportunities to the thousands of young people who are now unemployed.

A large number of Cubans approached by this reporter state categorically that they have suddenly gone from a state of acceptable survival to one of devastating shortages.

In the last few months, the situation has become extremely difficult for Cubans, whose ration books have provided fewer and fewer goods as warehouses (distribution centers for the population) have received nothing but rice and sugar from the beginning of May.

Other products will come in later, but it is known that the black market will play a major role, with the exorbitant prices that characterize this market, given the galloping inflation.

Power outages no longer keep to the schedule, and electricity is often cut off without any warning.

It is said that by the end of June, buses in the capital will be reduced to a third of the number of trips they used to make, from 10,000 a day to 3,000. Before the special period, the buses had made approximately 30,000 trips.

In addition to the shortage of gasoline, another reason the buses have halted is the lack of spare parts, although a certain amount of relief has been provided by donations of buses from other countries, primarily Spain.

Almost a million bicycles have joined the flow of traffic in Havana, and there has been an increase in fatal accidents. Moreover, bicycle tires are in short supply.

Domestic appliances face a crisis of irreparable breakdowns, and people have no way of replacing all the things needed to manage their households.

Theft has become increasingly common in Cuba, and the populace cannot let its guard down for a second, lest someone steal such things as laundry from the clothesline, light bulbs from front doorways or anything left out in the yard. And that is the least of their worries; robbers frequently assault homes and take all of the contents.

The saddest cases, the ones that draw the most comments, are bicycle hijackings, because many people have lost their lives trying to defend their only reliable means of transportation.

There has also been a rise in the number of hijackings of food trucks by bands of criminals who resell the goods on the black market.

Life in the Recent Past

A mechanical draftsman recalls that "a short time ago, before the decline of European communism, you could go to a little market and buy as many pounds of rice as you wanted for 1.20 pesos a pound, all the ham you wanted for 6.00 pesos a pound, a large chicken for 10.00, pork ribs for 5.00, all kinds of beans for 4.00, Cuban herbed sunflower seed oil for 7.00, a can of Spanish olive oil for the same price but in a smaller container, the best quality cheese for 6.00, gruyere for 12.00, a package of processed cheese for 1.00 peso, cream cheese for 0.50, a stick of butter for 0.65, yogurt for 1.00 peso, 2.00 for flavored yogurt, and the best yogurt, flavored zebu yogurt, for 4.00, olives for 8.00, and a tremendous variety of sweets and preserves.

"You could buy vitamin-enriched chocolate for 6.00 pesos, two ounces of coffee for 2.50, 4.00 if it was not mixed with peas, canned meat for 1.20, petit pois for 0.70, 0.30 for mixed salad in a can, 2.30 for a large can of tomatoes, Vitanova for macaroni at 2.00, tomato paste for the same price, lacteous meal for 2.60, compotes of all flavors for 0.50, canned and bottled fruit juice for 1.20, the most expensive foreign bath soap for 2.40, imported toothpaste for 1.00, large detergent for 2.00, spam, bacon, and smoked loin for 4.00, a can of Spanish sausage for 8.00. Everything you could imagine was available."

The list of things that were available on the so-called parallel markets before the special period seems interminable.

This man's wife, who works at the milk company, smiles and says: "It is the dream of every Cuban to see those markets come back. We did not even think about our ration books back then."

A taxi driver who used to go out to restaurants often, "even the fanciest places where the main course was always good meat or chicken, even pheasant," craves drinks the most: "What did I used to drink? Everything but whisky: gin, good rum, Cinzano, cognac, and even champagne, whatever I wanted."

A gasoline supplier is a beer drinker: "I used to buy it by the case, the best brands, and without paying a surcharge."

Needless to say, none of this can be gotten now, not even at premium prices. Beer may be found with difficulty. The government guarantees a bottle of rum per month for each family.

What is most frequently sold on the black market is rum made illegally in home stills, which is known as *chispa de tren* [train spark], abbreviated to *chip'stren*. It has also started to be in short supply because of the lack of alcohol.

In the past, there were always complaints about employee cafeterias, but today a civil servant who works in Old Havana says wistfully, "Those were veritable banquets! I do not know why I did not understand it then. Now it is impossible to eat in them!"

The students at a secondary school smile without regret; they never cared much what they ate. But: "Coppelia ice cream used to be much easier to get, and there were a lot more flavors to choose from."

A teenage girl who is in the 10th grade speaks of the pastries, the birthday cakes, the candies, the chocolate-covered cookies, the petit-fours, the malts, the sherbet—the list of choices no longer available is overwhelming.

[Analco] And can you tell me about pizzerias?

"I never ate less than a pizza, a serving of spaghetti, and a serving of lasagna every day!"

"What a memory you have!" teases her friend.

"My afternoon snack would consist of apricot juice and several slices of ham."

Across from the snack bar in Arroyo Naranjo (a district in the capital), a young man in his thirties recalls the recent past when he did not like the food served there: "Flavored mineral water and bread with spam, not fried. It made me sick to my stomach to look at it. Once I said to a friend, 'How can you eat such swill?' And today, what wouldn't I give to eat that snack every day!"

A woman recalls: "I used to tell my son,'Do not let me catch you eating one of those *cangrejitos* (meat-filled rolls),' and now, what wouldn't I give to have one!"

When asked how much the food supply has changed, the interviewees recount long lists as they realize how much they have lost.

In light of the current situation, references to the recent past give some idea of the waste that went on. Some people regret not having set aside a reserve of foodstuffs such as rice and cooking oil, and products for personal hygiene such as detergent, soap, and toothpaste.

Hygiene is another problem that Cubans are facing with stoicism, because they are a very clean people. A bar of bath soap costs 35 pesos on the black market, and deodorant is a luxury that is too expensive and hard to find. If a Mexican wants to win the heart of a Cuban woman, all he has to do is give her perfume and deodorant.

The trend is a downward one, as supplies on the black market grow smaller and prices consequently skyrocket. Thus, fewer and fewer people have access to these products.

The clandestine exchange rate is now 50 Cuban pesos to the dollar, while the official rate is on a par.

A retired woman who lives alone needs a minimum of 300 pesos to get through the month, but her pension is 80 pesos. When asked how she manages to live on that, she replies: "The black market itself gives me a chance to get by. With those high prices, I can get exorbitant prices for my rations of coffee, cigarettes, rum, and part of the meat and milk I get for medical reasons, because I am diabetic!"

In the parks of Havana, flea markets are beginning to spring up. There people buy and sell whatever they want, and at prices they consider appropriate. The items are used goods or homemade crafts; very occasionally someone will sell something of value, such as jewelry or antiques.

The shortages are so severe that women complain that they have trouble getting sanitary napkins, which are regulated by pharmacies but take a long time to be distributed and are then available in pitifully small quantities.

With a mixture of humor and modesty, another woman indicates that there is no toilet paper anymore.

Everything in Short Supply

One merely has to broach the subject of shortages, and a host of problems suddenly become apparent.

"My television set does not work anymore, and no one can fix it because there are no spare parts."

Most domestic appliances in Cuba are "discontinued" because they are Soviet brands, and spare parts cannot be gotten. Sometimes, in a stroke of luck, a technician who can repair the equipment will appear, but he can charge a professional's entire monthly salary, 300 to 400 pesos.

The sudden and frequent power outages have damaged refrigerators, and electric fans, indispensable in the eternal Cuban summer, are sold for unaffordable prices on the black market. There have not been any fans for sale on the regular market for a long time.

A resident of the Havana district of Cerro said that "Chavez and Lezcano (the former the president of the People's Government and the latter first secretary of the PCC in Havana) ordered that a garden be planted on the lots across from our house."

The neighbors wonder who will guard the produce growing there from the thieves who would steal it all. Needless to say, no one has planted anything.

A lady in the district of Marianao just paid 3,000 pesos for a washing machine that cost 250 pesos five years ago.

Sometimes the energy problem seems to be getting worse in Cuba. Last week there were as many as three power outages a day all over the city, except for areas where there are hospitals and hotels. But recently, the problem has almost disappeared, because a huge shipload of fuel just arrived.

Someone said that the ship was the largest tanker he had ever seen in his life. "Go down to the wharf and take a look at it!" a port employee told this reporter.

And sure enough, there was a ship flying a Venezuelan flag, with the highly coveted cargo bringing momentary relief to Cubans and—let's be honest—foreign residents living here as well.

With what Cuba spends each day on fuel, every Cuban could get 40 kilos of grain a month, commented an official at the Agriculture Ministry.

"The power outages are necessary," said a resident of Via Blanca. "You can understand that if the petroleum does not come...but what is annoying is that the outages do not stick to the announced schedules, and they take you by surprise two or three times a day. Then the power suddenly comes back on, and it breaks the appliances you had plugged in."

An example of the Cubans' ingenious ways of solving their problems is a method now being employed to make electricity by using a battery, a transformer, and wires to put together a little power plant to generate electricity for three or four hours to run some household appliances—a television set, a refrigerator, or a light bulb.

But only a handful of people can get the necessary equipment, because it also is in short supply.

Candles are rarely available in stores, and kerosene lamps have not been sold in years.

Matches have also disappeared from the market, even the black market. In other words, there is practically none of anything anywhere.

Not even hospitals are exempt. A doctor said that "the indispensable services are provided, but it is true that there are problems with everything. Sometimes we do not even have sheets to put on the beds.

"The patients now have to bring everything with them: bedding, pajamas, and sometimes even food.

"The lack of gowns, thermometers, and other hospital supplies is attributed primarily to theft.

"A pneumonia patient at Salvador Allende Hospital lost his suitcase with all his clothing when he left his room to see the doctor."

A young woman admitted: "I wore my worst clothes when I went to have my baby. You know they are going to steal everything from you."

Some mothers have begun to keep their children home from school because they cannot give them breakfast, because they do not have shoes, or because they themselves are too weak to stand around waiting for the bus or to walk a long way.

At day schools, there is hardly any food for lunch, not enough for the teachers to eat. It may be rice alone, or if they are lucky, some beans or salad, but that is all. Meat and eggs are no longer served.

The vitamins that are given out to supplement the deficient diet increase the appetite, so some people have discontinued them.

"I stopped taking them because they made me not only hungry, but also sleepy," said a 54-year-old resident of the Palatino neighborhood.

In spite of everything, expectations about the arrival of the Zero Option are polarized. When the possibility is mentioned, some say that it is cannot happen at this juncture, while others say it is just a matter of months.

It is known that meetings have been held recently in government agencies to discuss the measures that will be taken to face the Zero Option, but some people who have been asked about the imminence of these measures say, "We have been preparing for the imminent Yankee invasion since 1980."

Government sources say that the Zero Option, which means no imports, would impose restrictions on the country that would not necessarily mean famine.

Foreigners are surprised that all of this hardship has not translated into outbreaks of disorder or rebellion.

When a random selection of Cubans were asked why this is so, they said:

"We have already seen what you get by doing that; we need change here, not slaughter."

"You can live with hunger and the lack of clothing, but not with a war, which is what some people want."

"I think that if there were violence, we would be worse off, and there would be such a free-for-all that a handful of people would end up with everything."

"Why come to blows? You can see how many people are worse off now in the former socialist countries...!"

"Sometimes I want to go out in the street with a sign and shout that this must come to an end, hoping that everyone will follow me, but then I tell myself: 'But where will we go...?'"

Inter-Caribbean Affairs

Manning Questions Feasibility of Caricom Monetary Union

FL2106175093 Bridgetown CANA in English 1606 GMT 21 Jun 93

[By Linda Hutchinson]

[Text] Port of Spain, Trinidad, June 21, CANA—Trinidad and Tobago's Prime Minister Patrick Manning has questioned the relevance of the proposed Caribbean Community (Caricom) monetary union in light of the decisions of Jamaica, Guyana and his own country to float their currencies.

"Having regard to some of the developments in the Caribbean, that is to say the floating of the currency by Jamaica ... by Guyana... (and) by Trinidad and Tobago, the question that now arises is whether the original decision in respect to the Caribbean common currency is as relevant today as it was when the decision was originally taken in the absence of these new developments," he said.

Speaking to reporters shortly after returning home from a Caricom heads meeting in St. Lucia with his colleagues, Manning said he would report to heads of gvernment on its relevance next month in Nassau, Bahamas.

Trinidad and Tobago was given the responsibility of establishing an independent Caribbean authority and a common currency at the 1991 summit in St. Kitts.

Over the weekend, Trinidad and Tobago Central Bank Governor Ainsworth Harewood said although the twin-island state's decision to float its currency had implication for the proposed union, "I must emphasize that monetary union is still possible and desirable."

Trinidad and Tobago floated its dollar on April 13. Jamaica and Guyana had previously floated their currencies.

In a report of governors of the Central Banks to Caricom heads mid-1992, the top level bankers proposed the adopion of a two-tiered stages approach to monetary union.

Countries would be grouped into two categories. Included in category "A" would be countries which were able to maintain foreign exchange reserves to the value of three months' import cover for at least 12 months and which had a stable exchange rate for three years with a sustainable debt servicing capacity.

The qualifying countries according to the governors were the Organisation of the Eastern Caribbean States (OECS), Bahamas and Belize.

Category "B" would include Trinidad and Tobago, Barbados, Jamaica and Guyana.

During the transition period to the eventual goal of a common currency, monetary policy would be coordinated and fluctuation of exchange rates limited to a certain band.

The Central Bank governors proposed three stages. The first stage would run to 1996 and would primarily involve the conduct of sound macro-economic policies

Stage two which would be between 1997 and 2000 would entail the formation of a Caribbean Monetary Authority and the institution of a common currency among the category "A" countries while the other countries would work towards this goal, eventually attaining it by the year 2000 which demarcates the beginning of stage three.

According to the bankers, it was envisaged that a Caribbean common currency should be held fixed for the first several years of its existence.

A council of Caribbean Central Bank governors, charged with overseeing the transition period, would eventually be transformed into the Caribbean Monetary Authority.

The authority would be independent but accountable to a council of finance ministers.

Its primary mandate would be to achieve price and exchange rate stability. It would also be responsible for prudential supervision and regulation within the region.

Haiti

Army Decides Cedras To Participate in Talks with Aristide

PA2206005093 Madrid EFE in Spanish 0021 GMT 22 Jun 93

[Text] Port-au-Prince, 21 Jun (EFE)—The Haitian Army High Command decided on 21 June that coup leader General Raoul Cedras will participate in negotiations with ousted constitutional President Jean Bertrand Aristide in New York.

In a letter sent to Argentine Dante Caputo, the UN and OAS mediator, the Army staff expressed its position in favor of Cedras' participation in the discussions.

Dupiton Reportedly Reverses Stance on Meeting With Aristide

FL2106173293 Port-au-Prince Signal FM Radio in Creole 1130 GMT 21 Jun 93

[Text] No delegation will leave Port-au-Prince to meet with President Aristide under the banner of the OAS or the United Nations. This is what Thomas Eddy Dupiton, president of the Alliance [for Parliamentary Cohesion] branch of the National Assembly, told Signal FM a short time ago. If a delegation were to be set up, it should be done by the president of the National Assembly himself, according to Dupiton. A letter was sent to President Aristide, with copies to the [UN] Security Council and to UN Secretary General Butrus Butrus-Ghali, advising that the National Assembly on 15 June adopted a decree recognizing President Aristide's authority in Haiti. We believe the question has been settled, says Senator Dupiton.

In the meantime, he says unfortunately, this letter has come after the Council decided to put pressure on Haiti's authorities by reinforcing the embargo. The Senate remains open and waiting, ready to form a commission to meet with Butrus Butrus-Ghali. In any meeting that could result, it is the Haitian cause they will defend. Dupiton does not need [as heard] the intervention of the international community to resolve the Haitian crisis. Sen. Dupiton further says: We want only to decide by ourselves on whatever concerns Haiti's sovereignty.

Dupiton says he does not want to sit down with President Aristide because the [UN] Security Council is already aware of the issue, that is, the issue regarding the meeting with Aristide. Dupiton labels Father Aristide's stance arbitrary and not in compliance with the fundamental law of the country because those decisions have not been taken jointly with the parliament. As for the dismissal of the head of the Army and the head of the police, Sen. Dupiton invites President Aristide to do as he did when he dismissed the Army General Staff on 7 February 1991 while he was taking office as president: [Begin recording, in French] To vote the decree making Father Jean-Bertrand Aristide the president-elect of Haiti, back to his [previous] status. So, it will be up to Father Jean-Bertrand Aristide to ask for what he wants. Did he not do so already? Did he not dismiss the members of the General Staff on the day he was sworn in? He can do it again. So, he is president under the decree. Let him appoint a prime minister and dismiss the high command. [end recording]

Dupiton says it is out of the question for him to meet with Aristide. He has just made this statement to Signal FM by phone.

It should be recalled that Sen. Dupiton said he was ready to meet with Father Aristide. According to what Dupiton said in a statement over the weekend on a radio station in the capital: Even the Haitian Armed Forces are willing to meet with the priest, once the meeting is organized by ourselves. Dupiton said they were willing to create a commission to meet with the people who do not understand and to analyze the parliament's resolution restoring Father Aristide to power. According to Dupiton, the Ministry of Foreign Affairs had decided to cooperate toward that goal.

Thomas Eddy Dupiton said he was ready to seek out Aristide, while pointing out that the priest should show

his willingness to be the president of everyone. He made those statements over the weekend when he said he was ready to go to Aristide and negotiate with him. Today he has changed his statement, telling Signal FM that he will not meet with Father Aristide and that it is out of the question for the parliament or for him to meet with Father Aristide.

Delegation Reportedly Named To Participate in U.S. Talks

FL2106153293 Port-au-Prince Radio Metropole in French 1045 GMT 21 Jun 93

[Text] The political news is the consultations held over the weekend in Port-au-Prince in order to form a delegation of Haitian parliamentarians and military to depart in the next 24 hours to participate in possible negotiations in the United States—negotiations which prompted Dante Caputo to say that there was a favorable opening for dialogue for a solution to the Haitian political crisis.

The president of the Chamber of Deputies urged General Raoul Cedras to meet with President Jean-Bertrand Aristide. In a letter to the Army commander in chief, of which a copy was sent to Radio Metropole, Deputy Antoine Joseph invited Gen. Cedras to review his position of refusing to respond favorably to an invitation from Dante Caputo. If the reasons that you evoked, writes the deputy, were right, today the new juncture, created by the 15 June decree recognizing Father Aristide as president and the UN Security Council resolution imposing an oil embargo on Haiti, prompts me to invite you to review the reasons for your refusal of the invitation, unquote. [no opening quote as heard] For Deputy Antoine Joseph, Gen. Cedras, in meeting with President Aristide, will play an important role in the solution of the deep crisis the country is facing.

Unions Call for Strike, Denounce Reinstatement Decree

FL2106212093 Port-au-Prince Radio Metropole in French 1600 GMT 21 Jun 93

[Excerpts] In Port-au-Prince, the main labor unions have called for a one-day general strike. Guilloto Francois has a live report:

[Live in Creole] Nine labor unions including the CTH [Confederation of Haitian Workers], the FOS [Federation of Workers Trade Unions], the CGT [General Workers Organization], the CATH [Autonomous Organization of Haitian Workers], and the OGITH [General and Independent Organization] have launched a 24-hour general strike for 24 June, marking the beginning of a series of mobilizations to demand the return of Aristide to power.

The labor unions today confirmed the labor-union sector does not approve of the parliamentary decree voted last week. According to the labor unions, this decree is unconstitutional. According to the unionists, there is no provision in the Constitution mandating parliament to reinstate a president to his functions.

Regarding the negotiations to resolve the crisis, the unions believe it is time for delay tactics to end. The only solution to the Haitian crisis is the reinstatement of Aristide to power. [passage omitted].

The labor unions also denounced the proposal for a meeting among the parties involved in the crisis, under the mediation of the international community. This meeting would include Father Aristide and a delegation due to leave Port-au-Prince this week for Washington. Today again, the labor unions invited the members of the Haitian Army not to involve the institution in political affairs because the Army is apolitical.

Guilloto Francois from the Christopher Hotel for Radio Metropole.

Priest Predicts Uprising Unless General Staff Resigns

FL2106151493 Port-au-Prince Signal FM Radio in French 1030 GMT 21 Jun 93

[Text] The Haitian Army General Staff should resign before the effective date of the international blockade says Father Yvon Massacre, a priest committed to President Aristide's return to power. If the putschist military refuse to follow such a course, they will be responsible for the suffering of 7 million Haitians, Father Massacre believes. Furthermore, [he fears] a people's uprising if the high command does not relinquish power within 48 hours.

[Begin Massacre recording, in Creole] ...If there is no hope for a prime minister to pave the way for Aristide's return with the chief of the putschists in power. [sentence as heard] The international community understands that very well. That is why it has ordered the blockade against Haiti despite the masquerade of the Alliance [for Parliamentary Cohesion] parliamentarians.

The putschist officers should consider the sufferings of the 7 million Haitians and step down before the blockade is imposed. If they do not, they will be responsible for the compounded misery that a blockade will bring to our country. They will be also responsible if there is bloodshed again when the people, who have had enough, are obliged to demonstrate overwhelmingly in the streets to force them to release the country. [end recording]

Adrien Seeks Aristide Return, Departure of General Staff

FL2106151193 Port-au-Prince Signal FM Radio in French 1030 GMT 21 Jun 91

[Text] The [pro-Aristide] Presidential Commission led by Father Antoine Adrien has reaffirmed its willingness to talk with the legitimately elected parliamentarians to plan the departure of the General Staff in order to

untangle the crisis and prevent the imposition of the UN measures scheduled for 23 June. In addition, the commission asks that a date be set for President Aristide's return to Haiti.

[Begin Adrien recording] ...Discussions with the Army under the aegis of the OAS and the United Nations about the procedure for the departure of the General Staff of the Haitian Armed Forces and of the head of the police on a set date.

2) Meeting with the parliamentarians stemming from the free and democratic elections of 16 December 1990 and of 20 January 1991, no matter whether they are members of the Constitutionalist Bloc or of the Alliance for Parliamentary Cohesion, for the normalization of parliamentary life.

3) Appointment by President Aristide of the prime minister of the government of overture and concord in accordance with constitutional provisions.

4) Return of President Aristide on a set date without undue delay.

5) Meeting between the political parties and the various social sectors to establish a true dialogue opening an era of overture and national concord.

These steps might untangle the situation and ultimately lead to the way out of the coup d'etat in a manner acceptable to all. [end recording]

Dominican Republic

Balaguer To Comply With UN Embargo

FL2106152093 Port-au-Prince Signal FM Radio in French 1030 GMT 21 Jun 93

[Text] Dominican President Joaquin Balaguer opposes a possible naval blockade against Haiti but has, nevertheless, announced that his government will comply with the application of measures by the OAS and United Nations. Once again, on 18 June, he condemned the commercial embargo ordered by the regional organization against the Haitian military government, author of the September 1991 coup d'etat that overthrew President Jean-Bertrand Aristide. The Balaguer government will find itself forced to obey the UN resolution providing for a regime of sanctions against Haiti after 23 June if the inter-Haitian talks do not succeed.

Since the imposition of the OAS embargo [on Haiti], the Balaguer government has facilitated the flow of humanitarian aid from the Dominican Republic to Haiti across the Haitian-Dominican border.

Foreign Secretary Discusses Binational Commission Meeting

PA2206032293 Mexico City XHTV Television Network in Spanish 0200 GMT 22 Jun 93

[Excerpts] With a Mexican warning to avoid a setback in relations and a U.S. rejection of any protectionist measures, the 10th Annual Ministers Meeting of the Mexican-U.S. Binational Commission began in Washington.

Fernando Solana, Mexican foreign relations secretary, stated there are differences of opinion between the two countries, but they can be worked out when there is an atmosphere of cooperation.

[Begin Solana recording] For instance, we have not reached a final decision on the extradition treaty. [end recording]

The U.S. Government, however, has pledged that the case of kidnapping from Mexican territory will not be repeated. The fervent decision to fight drug trafficking was ratified, with emphasis placed on money laundering. Each country is responsible for the application of law in its territory.

[Begin Solana recording] No more agents or DEA activities. [end recording]

They agreed that the United Nations should establish a mechanism to fight drug trafficking at the world level because individual countries cannot find the solution. Solana stressed that the main problem is consumption.

Regarding immigration affairs, the sides reactivated mechanisms to avoid illegal immigration. A federal group was established to fight violence at the border. Mexico will cooperate in cases of people trafficking but will continue to offer and guarantee freedom of movement from one country to another.

Concerning finances, progress was made to reach an accord to avoid double taxation. An exchange of information and customs mechanisms was discussed.

The United States recognized Mexico's efforts to preserve the species.

With regard to transportation, mechanisms have been established to facilitate it. For instance, driver's licenses will be recognized in both countries and professors who speak both languages will receive training.

Regarding labor affairs, seminars and labor training programs will be continued.

Two telecommunications agreements were signed. [passage omitted]

We do not agree on the tuna embargo, stated Secretary Solana, speaking on behalf of the Mexican delegation. Solana explained he informed U.S. Secretary of State Warren Cristopher about his concern over the methods of invasion in Somalia, although it is for a good cause.

The secretaries attending the binational meeting returned to Mexico feeling they had improved relations with the United States.

PRC, Mexican Deputies To Meet 21 Jun in Mexico City

PA2106144193 Mexico City Canal 13 Television Azteca Network in Spanish 1300 GMT 21 Jun 93

[Text] An interparlimentary meeting between the PRC and Mexico will begin on 21 June in Mexico City within the framework of sound diplomatic relations between the PRC and Mexico. These relations are above circumstantial interests and events and are characterized by Mexico's solidarity with the international objectives of the world's largest country.

The working agenda will include a courtesy visit to President Carlos Salinas de Gortari, Senate leader Emilio Gonzalez, and several secretaries. The PRC delegation will be headed by Chen Muhua, vice president of the standing committee. The PRC deputies will also meet with Pedro Aspe Armella, Mexican secretary for finance and public credit, and Foreign Secretary Fernando Solana Morales.

The agenda, drawn at an interparliamentarian level, includes the following: The current world situation, bilateral relations, outlook for the Pacific basin development, as well as mechanisms for commercial, financial, economic, scientific, technological, and tourist cooperation.

The People's Republic of China has 1.16 billion people and its foreign debt amounts to $60.5 billion.

El Salvador

JOFA Communique Reaffirms Group's Existence

PA2106150793 San Salvador DIARIO LATINO in Spanish 17 Jun 93 p 17

[Report on Communique No. 5 issued by the Young Officers of the Armed Forces, JOFA, date and place not given]

[Text] The Young Officers of the Armed Forces (JOFA) have issued a communique indicating they are an "active sector," thus reaffirming their existence and responding to statements made by the Army staff.

Hereafter, follows Communique No. 5 sent to our editorial desk by the aforementioned organization:

The JOFA, responding to statements made by the Army staff denying our existence, is pleased to inform you that we are an active, strong, and decided sector within our institution, worthy of wearing the uniform that distinguishes us and capable of forming part of the apparatus demanded by the process to attain the level of true democracy needed in the country, for the benefit of all social sectors.

Upon saluting the heroic Salvadoran people, we denounce before the media and national and international organizations that the current Armed Forces staff insist on pressuring the president of the Republic to appoint unworthy, corrupt, and retrograde persons in the new directorate. The appointment of such persons would certainly cause a setback in the current democratization process, as those same persons through a national network expressed their opposition and rejection of the peace agreements signed by our government.

Furthermore, in its desperation and its unlimited and immoral selfishness, the High Command has tried to blackmail and at the same time manipulate the public, under the phantom of insubordination and disobedience. Therefore, we are not going to continue tolerating the abuse of authority and arrogance that has characterized the current High Command, attitudes of which the Salvadoran people are witnesses.

Guatemala

De Leon Carpio Discusses Government Actions

PA2106185193 Guatemala City Radio and Television Networks in Spanish 0300 GMT 21 Jun 93

[Speech by President Ramiro De Leon Carpio in Guatemala City on 20 June—live; broadcast in progress]

[Text] ...Guatemala has gone through a slow but destructive earthquake similar to the one that took place in 1976, which forced us all to discard party interests [partisanismos]. At that moment, the old Maya-Quiche dream of prosperity for everyone with no one being left out became a reality. During the past few years corruption, unrestrained ambition, lack of patriotism, intolerance, and sectarian interests undermined our society's morals and ethics. These features propelled most Guatemalans into losing faith in our institutions and to stop believing in the reality of democratic cohabitation. The 25 May coup shocked us all. Once again, before adversity, we Guatemalans have shown that we can understand each other, that we can come to agreements, that we believe in a democratic system, and that we want to maintain a constitutional and institutional order, free from the vices that were commonplace during recent years. God has given us another opportunity to begin renovating Guatemalan society through the establishment of real democracy based on honesty, decency, patriotism, and solidarity. To those of us who are confronted with the responsibility of running the government, we are being presented with the opportunity to serve Guatemala and discard the old and timeworn language of unkept promises. In addition, it allows us the opportunity to recover the peoples' credibility in democracy and its institutions, as well as its authorities. The moment has arrived to end the immoral conduct whereby the president, the vice president, and other government officials abuse the people and enrich themselves with the country's national resources. The moment has arrived to establish the foundation that will consolidate a real democracy. My fellow countrymen, I cannot conceal the difficult circumstances that awaits us and the challenges we are about to confront are very complex. The crisis has deep roots embedded in old unsolved conflicts. The structural elements have not changed. We have found a government in a critical state, in urgent need of new leadership, in need of financial resources, in addition to the existence of a complete and obsolete legislative structure. Most of all, this is more regrettable in the health sector, education, justice, security, and infrastructure. This becomes even worse with the lack of confidence and credibility in the government institutions.

We would like to be honest with you and say that in next two and a half years we will not be able to solve all our problems, but we will try to solve some of the most pressing. We must first, however, establish the foundations for the progressive, but certain, solutions to our national problems.

As a result of these conditions, we hereby present a national agreement that includes the direction of the immediate measures we must execute during the next six months regarding specific programs that will be disclosed, in addition to the entire cabinet, on 1 July. On 15 August we will present the national agreement that includes the government program from 1994 to [words indistinct]. This will also include the projects to be executed.

We want to promote a new style of government based on the following fundamental principles: predominance of the human being and respect for individual human, social, economic, cultural, civic and political rights, as

well as the states right to subsidize. From now on, as established by the Constitution, the state will direct its actions toward complementing the individual's initiative and activity, thus allowing the integral development of all Guatemalans.

The state activity includes social participation in political aspects, in addition to economic and social strategies, as the main areas to direct these immediate measures. The new form of government includes honesty, austerity, and clarity. Included in this line of thought, the measures already adopted start with examples set by the president with a commitment to the people to maintain real austerity in the government to avoid waste, superfluous expenditures, travel, banquets, secret expenditures, and any other type of expenditures that may represent ostentation. I also plan to demand this conduct from the entire Executive Branch.

The president and the Guatemalan people should be aware of the difficultly of the current situation. It is essential that the various sectors and the people adopt a civic, responsible, and serious attitude, in which all of us should strive for a better Guatemala because it is the mission of everyone. We must understand that we need to assume a different attitude and that herein lies the change. This difficult situation is an opportunity to find solutions and an opportunity for all sectors to pledge, to demand, but also to contribute, so that together, we will build the foundation of a broad national consensus.

To wipe out corruption, we have to first change the attitude and mentality of those who commit corruption. In other words, both those who give and those who receive. The president and the vice president are the first ones to pledge to handle public funds openly. Proof of this is the elimination of the confidential expense account—funds that permitted people to make money illegally and served to pay people off.

We will denounce any attempt intended to corrupt the president, the vice president, officials, and other government workers. Whoever is caught in such actions, no matter their position, will be immediately dismissed and charged. To achieve this, we need the people's cooperation and we call on them not to take part in corruption or to allow corruption to take place, as part of the changes within our society. I know very well that cooperation by other government institutions is necessary. In the framework of this philosophy and with a patriotic attitude, society must adjust its ways to support this great moralization effort.

As part of our society's democratic strengthening, it becomes necessary to draft a national project and it is essential to have everyone's support. For this reason, we will maintain a receptive, broad, and frank attitude, and will listen to suggestions or ideas from the various sectors in order to conciliate and find points of agreement and consensus.

Social participation will be the core and the determining factor of the people's own effort [auto gestion] to attain common well-being. It is essential to establish communication channels between citizens and the government. We request the various social and political sectors to become permanent advisers to help the efficient outcome of the government's work. To achieve this, we will create sectorial consultative councils at the ministerial level and within the ministries with the workers and the authorities to deal precisely with the important aspects of the policies required, hold dialogues, and solve the main problems. The government agreements to create these councils will be divulged in 15 days.

We will also take advantage of established institutions, such as the National System of Urban and Rural Development Councils, the national institution of agreement; and others that already exist or that may be created in the future.

The media is especially important regarding freedom of thought. We will, therefore, maintain an attitude of complete respect of this freedom. In addition, there will be total receptivity to criticism, commentaries, and suggestions.

When I was ombudsman for human rights, I always fought against impunity and as president will continue to fight against it.

We will make sure that these rights, especially life, liberty, and equality, gain full respect. We will give special support to the Attorney General's Office so that justice is implemented without discrimination.

Regarding citizens' guarantees, the Government Ministry is already implementing actions to fight crime and to reduce the citizens' unrest and insecurity. These actions include the struggle against drug trafficking. It must be understood that respect for human rights does not mean protection for criminals.

These actions are part of a citizens' security program that calls for strengthening civilian security forces and for obtaining cooperation from the people based on the principle of respect for the people and on the training of police agents to turn them into true guarantors of the citizens' security.

We cannot fail to refer to the armed conflict that has been bleeding Guatemala for more than 30 years. The search for peace must be a permanent task of all the Guatemalans. Considering the differences and circumstances that exist now, we believe that the rebels will join the efforts being made by Guatemalan society to consolidate democracy and to conclude the armed conflict.

In my administration, relations with the international community will be very important. In the current world context, relations with other nations are essential, especially with the Central American countries, to whom we are united by a common destiny. For this reason we will continue to promote firmly regional integration.

At this historic moment we request the understanding, respect, solidarity, and support of the friendly countries to consolidate our democratic process.

Regarding economic and social aspects, it is necessary to improve the standard of living of Guatemalans if we are to have permanent peace. As a result, this administration's priority objective lies in overcoming poverty, which is currently undermining a large percentage of the population. With respect to economic solidarity, Guatemala's history has demonstrated that state economic intervention, free market mechanisms, or a simple combination of both, has been able to ensure fairness, equality, and the well-being of all Guatemalans. This is especially true if there is no basic feeling of solidarity toward those who are provisionally cut off from development opportunities.

Thus, we plan to work to establish stable economic solidarity mechanisms that will allow us to reduce poverty. In this respect, these mechanisms will be based on the principle of shared responsibility between the state, the private sector, and the other civilian organizations. These mechanisms will be based on norms regulating economic issues included in the national Constitution. We plan to continue with efforts toward maintaining economic growth, but with the conviction of ensuring human development.

With respect to public spending austerity in order to maximize the scarce current financial resources, one of the first measures includes cutting classified expenditures and reassign them to more pressing social needs.

We believe there is a need to reevaluate the executive branch's administrative structure in order to cleanse it and adapt it so it responds to the population's real needs, thus guaranteeing more public sector efficiency and effectiveness. As part of these measures, we recently started evaluating the various agencies of the Presidency and decided to eliminate departments such as the secretariats for political affairs, personal affairs, private affairs, legislative affairs, and [words indistinct], which will be carried out by the Presidency Press Secretariat starting in the next few days.

Likewise, we plan to present Congress with an initiative to substitute for the current executive branch legislation. The objective of the initiative is to allow the executive branch to function more efficiently. We also plan to auction off most of the vehicles purchased for political purposes or those used by relatives and friends of high government officials. Some of these vehicles will be assigned to the Government Ministry as part of the citizen safety program.

We decided to eliminate foreign travel by public officials as well as by the president and the vice president. That does not include absolutely essential foreign travel necessary for state affairs. We believe the first priority of all public workers is to dedicate all their time and effort to Guatemala's reconstruction. As to reassigning the state expenditure budget to reorient public spending toward the neediest sectors, we have instructed the Finance Ministry to readjust the state's annual budget to make it more responsive to the people's real needs. Revenues collected during the second semester of the current year and the next two years will be earmarked for the struggle against poverty, especially in rural areas. These revenues will also be earmarked to solve the needs of other sectors such as health care, in which we plan to direct our efforts toward developing preventive health measures. Considering the current health situation, we plan to pay close attention to the cholera epidemic, which is weakening the population. The specific health projects will be executed jointly by the communities and nonprofit organizations and supported by the Health Ministry.

We are planning to undertake a far reaching, decentralized literacy campaign that responds to our multiethnic and multicultural reality. In that respect we will support the actions by the National Literacy Committee [Conalfa].

We will begin talks with students, teachers, and parents about school transportation and try to find a permanent solution to the problem that has caused so much unrest. We will implement the Social Investment Fund to bring basic services to the lower income sectors, especially in rural areas. We have established an investment plan worth 50 million quetzals, which will be rerouted from the budget and obtained from foreign cooperation. This will allow the rural communities to draw from the fund and carry out their projects. In so doing the social investment plan will benefit the neediest communities directly, thus democratizing public investment.

Regarding the 8-percent payment to municipalities, we will make all necessary efforts to catch up with these overdue constitutional payments because we understand the importance of the work the municipal governments do to benefit their communities. It will be done, of course, with full respect for municipal autonomy. We also call on the municipal authorities to contribute to this nationwide effort by implementing projects that will benefit the poorer and more neglected towns and hamlets in their jurisdiction. We offer our support in strengthening their technical and managerial abilities to ensure that resources are used efficiently. All of this falls under the expenditure decentralization policy our government has begun to implement.

It is easy to understand that we need everyone's contribution to finance the aforementioned plans. We therefore encourage all Guatemalans to contribute in making Guatemala a better country by paying taxes in the assurance that the money will be used properly and honestly.

It is necessary to modernize and decentralize the property registration system to make it more efficient, thus allowing the owners of these assets to feel confident while affording them juridical assurance based on the human rights principle of the right to private property. The registrar will have a preset salary just like any other official. As part of the modernization process, we will

launch a pilot plan to allow low income citizens to register their property legally.

My fellow citizens, today we have the valuable opportunity to move hopefully toward development. We must fight and contribute to make this goal strengthen us and bring us together as a nation. That is why today I wish to be a messenger of hope. You have not heard me speak of my government. This is not a simple play on words. This is a new concept in the exercise of power. Today you are not listening to a president who wants to order his citizens around. Today you are listening to a democratic president who after committing himself first asks you to join in an enormous task and encourages you to lay the foundations of a just and united society; to begin the renewal and reconstruction of a new Guatemala; and to live another special moment in our history. We will work together to attain an integrated nation and establish a long lasting democracy that will allow us to live a life of dignity and whose main focus is the human being. We are convinced that when a nation enjoys equal rights and justice, there is no reason for any group to feel discontented.

President Gives Interview

PA2206014693 Guatemala City Radio-Television Guatemala in Spanish 0400 GMT 21 Jun 93

[Interview with President Ramiro De Leon Carpio by "Free Encounter" program host Dionisio Gutierrez at the station studios in Guatemala City—live]

[Text] [Gutierrez] Guatemala had been trampled upon by a group of gangsters who lost their reason and decency to power and believed themselves gods and [words indistinct] of our fatherland, to which they do not deserve to belong.

Guatemala's permanent crisis deepened on 25 May when the situation we had been experiencing since 1986 became official; specifically, when the legal government lost all legitimacy due to its shameful acts and permanent disrespect for the law and our Constitution. That crisis is not over. Today we have two illegitimate and therefore illegal state organizations, which the people also repudiate. We continue to be the same impoverished Guatemala with neither law nor justice. We have only taken an initial step by legally—and with a civic spirit—overthrowing the dictator's apprentice, but all the main accomplices are still at large; accomplices who are to blame for our situation.

This new opportunity before us is the best example of what a difference it makes when people struggle and participate to build their own nation politically and democratically. Tonight we are lucky to have in the Presidency a man who earned the right to hold the office through his civic courage. The clamor of the people confirmed the place in history that fate put before him. "Free Encounter" is honored to have President Ramiro De Leon Carpio. Mr. President, good evening and welcome to "Free Encounter." After 11 days in office, can you tell us how you found the government?

[De Leon] Bad. It is really bad, and not just as a consequence of the political crisis—in the midst of which we are still trying to restore tranquility for Guatemalans and consolidate the democratic system that was disrupted—but also because the government's situation is truly depressing.

[Gutierrez] How did you respond to the reporters who asked you what you found when you opened the desk drawers? Were you speaking figuratively?

[De Leon] I found some of them empty. I told one reporter: There was nothing. There were no programs or plans. There were ideas, some good, others bad, but ideas after all. Most depressing were the scary things I found. I already ordered an investigation. I found lists of public officials who received large amounts of money without doing a thing. The current economic crisis is really harsh. I found a budget for the next six months that we are trying to adjust to do what can and should be done with what we really have. But we have a deficit. I found a situation of amorality that I never could have imagined could be so great. It is depressing what I found in those drawers.

[Gutierrez] This is to some extent related to the way you interpret the people's demands. How can you summarize that now?

[De Leon] The Human Rights Ombudsman's Office began a nationwide survey about six months ago. We went through 3,000 institutions and organized groups and 10,000 people from nonorganized sectors to gather information from the grass roots about the people's demands. Today we can confirm that the survey reflected what the people wanted. They want honesty, justice, equality before the law without distinctions, principles, changes, and leaders that are truly in tune with the country's situation. This country is poor with few economic resources, but it is eager to move ahead with other kinds of very valuable resources. The people want honesty. The government must give the people honesty and a lawful state.

[Gutierrez] I would like to share with you the story of a patriotic citizen who earns his living washing cars. The day Serrano carried out his coup d'etat he told a friend that he was two-thirds happy because only one-third of the state branches remained to be removed. [sentence as heard] Things have changed. This citizen is now probably one-third happy because you are here and two-thirds unhappy because the people who were in the other branches when Serrano carried out his coup are back.

What attitude will the people take if time goes by and the current Congress continues to ignore the demand that all deputies resign, the Supreme Court continues with the same individuals who are repudiated by the people, and you wind up governing with the same people from the past?

[De Leon] An attitude of resistance, which is permitted by the Constitution. I represent national unity based on

the Constitution. I fully respect the three state branches, although not an absolute division of the branches because it no longer exists the way Montesquieu dreamed many years ago. I respect the interrelation of the branches' functions. I respect that. I think that if specific solutions are not found, people must use the means provided by the Constitution. We used one such mechanism a few days ago: resistance, demonstrations, popular demonstrations in the framework of the law. That is something I have always said the people have the right to do. We are obliged to listen to the people. Otherwise we would be governing against the Guatemalan people's will, which is sovereign.

[Gutierrez] I dare ask whether we Guatemalans will see our president participate in a new civic movement. You were one of the key players in the movement that threw out the dictators. Will we see you involved in a civic movement from the Presidency? Will we see you struggling for this long-awaited purge of the [word indistinct] as a common citizen?

[De Leon] Yes, but I must certainly maintain a certain degree of maturity to help bring about tranquillity for the Guatemalan people. I should not promote violent disorders or anything like that. The country is already living in a violent culture, and I must not make the situation worse. As a common citizen, and putting aside my position as president of the Republic, I will try to bring about a balance, maintain an interrelationship of duties while respecting the law. The answer is yes, of course, because I am part of the people. I am obligated to that civic action, that people's movement.

The greatest support I can have and have had comes from the Guatemalan people, whom I am obligated to serve. I am not talking about populist or demagogic actions. I must seize this opportunity to participate in civic actions with the prudence and maturity of a statesman and ruler to avoid promoting more violence.

[Gutierrez] [Words indistinct] it is said you are trying to convince deputies with whom you have spoken that the current situation calls for (?resignations)?

[De Leon] I have actually exchanged views with representatives of various segments of the population, especially those who do not belong to parties, to urge them to reflect on the situation without turning this into a political manipulation, as was the case in the past. This is a democratic exercise because it reaffirmed the interrelationship of duties of state branches that characterizes any democratic process. All branches share common goals. There is only one state; no branch can work independently.

I have exchanged views with these groups to make them realize that they play a very important role. We cannot (?legislate) to play one segment against another or to apply pressure. I think we are acting maturely. I think we are meeting our responsibility. I think we are on the right track.

[Gutierrez] It seems the greatness of an opportunity grows proportionately with the degree of difficulty in taking advantage of it. As I see it, you have two alternatives: You either side with the bad guys, that is the current Congress and Supreme Court of Justice because they also committed abuses during the Cerezo administration, or you side with the people to help them purge the Congress and justice system. It is a difficult situation because it seems there is no other option: You either side with the bad guys or with people. That is how the people view it. Do you agree with that assessment?

[De Leon] The president of the Republic currently has only those alternatives. On the one side is the political game of not confronting the state branches because it would be very difficult to govern. On the other hand—and I read the editorial of a morning newspaper on 19 June that made me think about this - we could, along with Arturo Herbruger, become a part of history if we make the right decisions, the decisions the people need, that the Guatemalan nation needs. History, however, will be implacable with us if we allow the current corrupt system that has taken root to guide our actions.

That is the most important decision we must make now that we are in power, now that we are the rulers. We must take a stand. Of course it must be flexible and prudent as we are the rulers, but we must define ourselves. Otherwise it would be regrettable if two and one-half years from now we had consolidated a democratic system, which is our basic task, but without having taken advantage of this opportunity to lay the foundation for change and to be on the side of those who really want to work for Guatemala.

This was a fundamental decision and I thank this program because it allows me to announce it. It was a very difficult decision, but as I have said before, I am really not interested in being the president if I am to be only swept along in the current and not in the middle of it. I would really not be interested. Thus my answer is this: I must be on the people's side, and what the people want is very clear; the people's outcry is very, very clear.

[Gutierrez] Believe me, several million Guatemalans will be comforted by your words. Mr. President, apparently almost 50 deputies have resigned so far. It seems a majority of the good deputies are among them. Is there not a risk that in the purging of the Congress the ones who remain will be the bad guys?

[De Leon] I have thought a great deal in the past few days about the mechanisms and the manner in which this is taking place. I believe that in this matter, a great sense of responsibility and maturity should prevail. In this regard, I have said very clearly that the executive should not interfere in this. I do not believe what you say will occur. I believe that in the end, maturity, good sense, and sense of responsibility for legislating as God and the people demand will prevail. As is often said, you cannot go wrong if you have a good philosophy. It has to be that way. Otherwise you would be disoriented, heading

toward economic chaos and political instability. It is all according to the responsibility assumed. In other words, it would be irresponsible not to exercise maturity.

[Gutierrez] Do you recognize the possibility that your government will wear out quickly given the fact that there is a lot of anxiety, that big political errors have been made, and that the people's patience is wearing thin?

[De Leon] There is a big risk. That is precisely why the government's response must be in keeping with the people's demands. In that case the state would wear out and not the executive branch. [sentence as heard] The executive branch must logically respond in accordance with the people's demands and reality. It cannot be a speculative response. It must be in accordance with a specific reality, conforming to that reality, without making the mistake of adopting certain attitudes just to keep from losing popularity that in the long run would prove harmful.

[Gutierrez] Speaking of the executive branch, you took Arturo Herbruger to the vice presidency. In addition to you, there are six members of the executive body whose integrity, honesty, and other basic attributes are known. Obviously, with a judicial and legislative organization such as the one we have, I ask how the executive branch will feel with a Congress and new Supreme Court that has been purged?

[De Leon] I think the desire of any president, any chief of state, is to be able to shoulder this difficult responsibility—because it is difficult—as I am doing with Arturo Herbruger. I feel very well supported from every viewpoint. I think Guatemalans will expect a lot from Arturo Herbruger, given the openness with which he has always acted, his qualities and human attributes, ideals, and so forth. That is really unnecessary, however, because the Guatemalan people know him well. By the same token, what a central government, an executive branch, really wants is to have other state institutions with the same clear-cut attitude. That is really the ideal; to govern for the nation and not for a certain sector, party, or certain group. This is in the hands of the state organizations. They can find the mechanisms if they are willing to listen to the people's demands.

That is the most important decision we must make now that we are in power, now that we are the rulers. We must take a stand. Of course it must be flexible and prudent as we are the rulers, but we must define ourselves. Otherwise it would be regrettable if two and one-half years from now we had consolidated a democratic system, which is our basic task, but without having taken advantage of this opportunity to lay the foundation for change and to be on the side of those who really want to work for Guatemala.

This was a fundamental decision and I thank this program because it allows me to announce it. It was a very difficult decision, but as I have said before, I am really not interested in being the president if I am to be only swept along in the current and not in the middle of it. I would really not be interested. Thus my answer is this: I must be on the people's side, and what the people want is very clear; the people's outcry is very, very clear.

[Gutierrez] Believe me, several million Guatemalans will be comforted by your words. Mr. President, apparently almost 50 deputies have resigned so far. It seems a majority of the good deputies are among them. Is there not a risk that in the purging of the Congress the ones who remain will be the bad guys?

[De Leon] I have thought a great deal in the past few days about the mechanisms and the manner in which this is taking place. I believe that in this matter, a great sense of responsibility and maturity should prevail. In this regard, I have said very clearly that the executive should not interfere in this. I do not believe what you say will occur. I believe that in the end, maturity, good sense, and sense of responsibility for legislating as God and the people demand will prevail. As is often said, you cannot go wrong if you have a good philosophy. It has to be that way. Otherwise you would be disoriented, heading toward economic chaos and political instability. It is all according to the responsibility assumed. In other words, it would be irresponsible not to exercise maturity.

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clear-cut attitude. That is really the ideal; to govern for the nation and not for a certain sector, party, or certain group. This is in the hands of the state organizations. They can find the mechanisms if they are willing to listen to the people's demands.

[Gutierrez] But do you not think you would feel better with another Congress, with a Congress different from the one that existed until today, with a different Supreme Court?

[De Leon] I would feel better with two government institutions that really did their duty. Of course, within the framework of the Constitution—I would never ask for something outside of that framework. I would feel better with two government institutions that did their duty for Guatemala.

[Gutierrez] With the people's support?

[De Leon] Of course.

[Gutierrez] It would be more comforting in any event.

[De Leon] Perhaps within the bounds of institutional government, Guatemala is in a unique situation in that the constitutional tradition is being strengthened. In other words, nobody is above the law, and we must respect the law even more because it will allow us to live peacefully and have opportunities for development.

[Gutierrez] Some institutions acted as protagonists in this crisis; specifically, the Constitutionality Court and the Supreme Electoral Tribunal. What will their role be in seeing that this purge is done legally and expeditiously?

[De Leon] The Constitutionality Court is the highest tribunal in matters of constitutional justice. Any consultation made at that high level of constitutional justice can set the trend and provide a solution for the people's demands within a constitutional framework. Naturally it must maintain respect for constitutional order and the Constitution. In the most immediate case, mechanisms must be found within this constitutional framework. In the case of the Supreme Electoral Tribunal, it must continue to function normally as it has been doing. It has afforded credibility and certainty to Guatemalans regarding the electoral process. It could also employ that process of popular consultation known as the referendum. That could perfectly well be the case, to have a referendum on the Constitution. I recall how the constituent body was created so the Guatemalan people could be consulted through the Supreme Electoral Tribunal in political decisions of great national import.

[Gutierrez] President, is somebody promoting this proposal within the government?

[De Leon] I understand it has been broached by a consensus of Guatemalans that legitimately represent Guatemalan society. I believe that although some sectors are not included, the Guatemalan nation is represented. There has been mention of this. I believe some political parties and deputies have considered a measure of this sort. It would fall within the framework of the Constitution according to the article that establishes popular, national consultation. The initiative can stem from the president. It can be proposed by sectors that form Guatemalan society or by the president. Furthermore, they could take advantage of the opportunity to hold a referendum on the president and vice president.

Because ours was an indirect election due to historic circumstances, I believe both Arturo Herbruger and myself would we willing to submit to the Guatemalan people's approval or disapproval. It would be more evidence of our aboveboard behavior.

Now I want to say something about the things that have happened so far. In the past I publicly stated that I was improving as the country's ombudsman but not progressing as a candidate; a request made by thousands of people and several political sectors. Why? Because the circumstances [words indistinct] would not have allowed it to be any other way. I believe I never would have... [pauses] I had already said I would not participate in the next elections and that I would end my constitutional term as ombudsman as I had promised the Guatemalan people. Later, it would still have been difficult for me to participate because existing political commitments would not have allowed it. The conditions were not favorable and probably would have earned me many very powerful enemies. Quite frankly, however, a historic moment arose—which Arturo Herbruger calls a very special moment—and we did not have any political commitments, thus we had the opportunity to do what really had to be done for the Guatemalan people.

Just now in the car I was thinking how wonderful it will be when we have general elections in Guatemala in two and one-half years and neither the vice president nor the president belong to a political party. We will maintain totally and absolutely impartial government institutions. Government economic and human resources will not be used to favor a party. This will serve as a guideline to establish a system that will ensure that the person who reaches power, even if he attains it through a political party, will become what he is supposed to be: a president for all Guatemalans. That is how it will be in our case due to our special circumstances. I say this because we reached power [words indistinct] which will allow Arturo Herbruger and I to do something different. This is an opportunity we cannot pass by. History would judge us if we did not take advantage of the situation of a transition government. We are to leave the basic structure for future governments to have [words indistinct] open channels to overcome poverty and allow for economic, social, culture, and political development.

[Gutierrez] Mr. President, perhaps the most important thing is that anyone who is listening to you now will realize that you are well aware of the importance of the situation and the big opportunity afforded the country. Although we have not emerged from the institutional crisis, it is clear we need to have three strong government

branches to guarantee democracy. Currently we have a tripartite democracy where government branches do not communicate among themselves and obviously do not operate with [words indistinct] or to further national goals. The situation does [words indistinct] bind the executive branch because the country has to continue living as a nation and needs to have that balance. We are living on quicksand as long as we do not have a legal, legitimate congress that is respected by the people and does what it has to do and a Supreme Court of Justice that administers justice. What is your opinion on my comment?

[De Leon] It worries me. It worries me because several elements in the country are currently maintaining a certain degree of calmness. As soon as the first social conflict arises, it will reverberate in the organizations that are being questioned if their problems are not attended to or if [words indistinct] nobody looks into them. Any social problem that erupts will have immediate repercussions on the government organizations that are being questioned. But I believe that the people in those legal and constitutional organizations are aware of the people's demands and that they have to do something about it. It could be very dangerous if nothing is done. I had occurred to me that if legislation is implemented in a way that is inconsistent with the country's economic reality, I will, given the situation, be obliged to use the president's right to veto. This, of course, would cause economic and social turmoil, unhappy people, an unstable economic situation, and so forth. That is what really worries me. I believe it is good to have these straightforward and open comments because they help get the members of the government organizations that are being questioned—I insist that as president I am respectful of their independence—to respond in some way. I think that is what is happening now.

[Gutierrez] You have access to a lot more information than we common citizens. I think the people have the impression that the Congress and the Supreme Court, that is deputies and magistrates who are the most famous corrupt and dishonest people, are trying desperately to save their skins, as we Guatemalans say, even if they have to destroy this country, as you commented. Will you allow this? Will you let them do crazy things?

[De Leon] No, as president of all Guatemalans, I would have to act on behalf of the Guatemalan people. If faced with a law that may be populist but that could also destabilize the country's economy, I would not join this enormous [word indistinct] march. I would stop it through legal means. I will show that I am a statesman amid the pressure and problems. I will have to find solutions within the constitutional and legal framework. Such mechanisms and problems exist all over the world. Our solutions will be within the framework I mentioned.

[Gutierrez] [words indistinct] your key ally is the people and as long as this holds true your government will be successful. What do you want society and the people, which are one and the same, to do to support your administration? Communications will be a key factor between you and your people to ensure there are coordinated efforts, to ensure the people know what the president expects from them and vice versa.

[De Leon] This evening I announced general guidelines and on 1 July, having an already full cabinet, I will announce the actions to be undertaken in the next six months, having the possibility of executing them and of [words indistinct] the financial situation. On 15 August, I will announce the government program for the next three years.

I pointed out if we succeed in anything it will be in promoting the participation of Guatemalan civilian society. Pardon me, I meant to say Guatemalan society. I do not wish to say civilian society because it is a term that has created much confusion. Civilian society, from a sociological and political standpoint, refers to a governed society as opposed to the ruling society. We do not, however, have a separate civilian society and a military society. We have a single society.

On this day I announced programs that are constitutionally established, including development councils at the national, regional, departmental, and municipal levels. I also talked about participating in a consensus forum [instancia de consenso]. This is a forum that many rulers have wished for. This forum will include representatives from all Guatemalan society.

I said the same will apply to the ministries. They will have regional councils made up of representatives of their native towns to ensure popular participation. The idea is that they help themselves because the people are the best controllers [eight- second break in reception] things that benefit it or not in the population in farms, villages, and towns. Participation should be very broad.

I also said we will do everything we can to prevent problems from worsening and in turn bringing about terrible consequences as a result of a lack of dialogue. All sectors may contribute and also criticize because I will certainly make mistakes; we will make mistakes. It is good for a statesman to listen to criticism to mend mistakes because this helps to back him up.

[Gutierrez] One might then ask if there are good guys and bad guys in all sectors, including the government and the Army? Thank goodness the bad guys are a minority, but they are a large minority with an impressive destructive capability. All sectors need to be purged. In the Army the good guys are the majority and the institution has its share of bad guys, as does every other sector. But the Army's bad guys are rather dangerous because they carry guns. A purge is needed in the Army also. As commander in chief of the Armed Forces, will you purge them?

[De Leon] As constitutional president, it is my duty to reorganize all institutions that make up the central government and the executive branch. As you have said, there is a little bit of everything in all these institutions.

There are all kinds of people under the Lord's sun, the Christian saying goes, and that is the way it should be. As I have said before, it is largely due to a thought pattern among those who work in these institutions, including the Guatemalan Army. The reorganization process, not for outside reasons but for inside reasons, must begin in accordance with reality.

[Gutierrez] Mr. President. Did the military set any conditions when you took office?

[De Leon] No, none whatsoever. First, because there was no time for that to happen; and second, because if such conditions had been presented, I would not have accepted. I was not interested in taking the post under any conditions at all. That is why I say if God and history had not put me on this road, I would never have become president. It would have been very difficult for me to take this post under any kind of pressure. I would not have been interested in taking the post. I would not have been able to accept conditions of any kind. Circumstances gave me the opportunity to govern without conditions. If there had been any [words indistinct] it would have said that this is not my time and I would not have accepted, either.

[Gutierrez] Mr. President, were there any negotiations when you made the changes in the military high command?

[De Leon] No, there were none. That was something. That was something.... [pauses] This may answer your question: After it took place, a reporter asked me if what I had just done, changing the high command and the defense minister, was brave or prudent. I said neither: It was logical. It was logical in terms of the real situation, the events that had just occurred. It was logical in terms of the Army's participation at a time when Guatemalan society became united. Important, historic events occurred at that time for the whole world to see; events such as the Army abiding by a judicial ruling from the highest Constitutional Court. I am mentioning all these things to point out that I remained consistent with the real situation. That is part of the normal dynamics within government institutions, and I shall continue to work this way with all the institutions that make up the executive branch. We need a system of normal change that is consistent with circumstances and reality. I have been given the Army's full support, which is the way it should be. The president is supposed to have the people's... [pauses]... not supposed to have, rather has the Guatemalan people's mandate to rule with the necessary seriousness, professionalism, and maturity of a statesman, to make the changes according to his conscience, his understanding of the problem, the circumstances and political consequences, and so on. That is why I was elected.

[Gutierrez] Continuing along those lines, Mr. President, it is no secret that international and domestic media are questioning the fact that several high-ranking military commanders remain in their posts. Is that true or not?

[De Leon] We must mention here the pressure on the international scene, the commentary and questions and so on. I do think, however, that the president of any country, no matter how small, should maintain his sovereignty and stand by his decisions. Naturally, he should listen to the people's requests within the country and what the international community has to say, because we cannot live isolated from the world. Now, I also think that they wish to express support for a president who is demonstrating that he is aware of the current situation and that he is willing to fulfill his duty. Therefore, I believe that the pressure must be taken into consideration, but we cannot and should not govern under pressure.

[Gutierrez] Thank you, Mr. President, for the.... [pauses] After this answer, I want to ask two questions. The most serious problem, which has caused the people the greatest anguish and suffering, is the high cost of living. When Congress received the three-candidate slate to elect a president, some members of the Coordinating Committee for Agriculture, Commercial, Financial and Industrial Associations voiced their fear that you have a center to left or populist view of the economy. Are they right or, as is often the case, are they mistaken?

[De Leon] I respect all sectors of Guatemalan society, but if that is what they thought they were really mistaken. It is true I have taken actions or have attitudes that seem to be of a populist nature, because I have always acted that way. Today, I continue to act that way, but now it is part of a new attitude or way of acting as president. Do the people like it? Yes, these are cosmetic changes, as it were, but sometimes those things harm people the most. The people want their authorities to be simple, because we are the authorities of the government of a very poor country. For that reason, (?the people now applaud) this attitude, which past leaders could not adopt.

We are not going to resolve the country's problems with it, for sure. Those attitudes described as populist correspond to simple leaders, such as Vice President Arturo Herbruger and me. What is more, we will continue to be that way. As for the political ideology, I do not think that.... [pauses] The different sectors that form Guatemalan society realize by now that we have social sensitivity. I am aware of the situation. I am aware of what must and must not be done. I believe that by now they realize I have the maturity, awareness, and knowledge of the situation. In fact, this places me in an unusual position. It would be regrettable if the opinion some have of me could destabilize or create a feeling of economic or legal uncertainty.

[Gutierrez] In other words, you admit that right now public opinion must guide your ideology. But perhaps it can never guide your ideology because you are profoundly pragmatic. It was amusing to hear the remarks by former President Vinicio Cerezo, who said that the Serrano government had been pro-business. There were, of course, businessmen in the Serrano government, just as they were in the Cerezo government, and all sectors have bad individuals. Many of

those who were with Serrano were bad, while others were not. The results are plain to see. These people had no ideology or economic system, they just abused the people all the time. My question is: are the economic policies with which you are going to govern based on a neoliberal or social christian system? Or will you be a pragmatic man and do what works?

[De Leon] I want to explain that pragmatism is also a philosophy. I think our countries need to put that kind of philosophy into practice, which may sound redundant. Pragmatism leads to results. It produces efficiency. Conditions in Guatemala are very unique, chiefly now that ideologies have changed all over the world. Although some ideologies have not totally disappeared, they no longer have the impact they had 50 or 60 years ago when they brought about revolution, evolution, regression, or whatever one may want to call it—depending on one's viewpoint. Now, the people demand results. They do not really care if it [words indistinct] or the other. [filing suspended until 1200 GMT]

What the people....[pauses] what the people, particularly the Latin American people, demand are positive results. In fact, the political stand of one group or another, or the ideology....[pauses] naturally, there must be a philosophy, a doctrine that supports pragmatism....[pauses] but I believe the most important thing is a very defined line, which will not create distrust at the national or international level. Although it is very difficult to summarize this in a few words, I would say there is economic growth in Guatemala. The president of the Republic must continue with that process in order to improve it. I understand economic growth registers 4 percent, the [words indistinct] should be as soon as possible so that it will reach 10 percent.

In an effort to explain this better, let us say this is one of the two main pillars of a building. There are certain guidelines that must be followed within the economy in order to attain economic growth. This, however, is not enough. There is another pillar that supports that building—mankind—and that is the human challenge, the development of the population. That social characteristic must exist for the development of the person, of the individual to occur, in addition to this overall growth. In this manner, a general well-being will be achieved, which is what our Constitution establishes. The person with a [words indistinct], and it is the obligation of the state to provide for the common well-being of the people. [words indistinct] the state must participate as much as possible, while maintaining the productive groups, including capital and labor....[pauses] by the way on 19 June, I pointed out that we need to attain peace, as the absence of war, so we can confront the problem of social peace.

At this time, I feel the best thing that [words indistinct] we can do is to start working for a better relationship between the entrepreneurs and workers. In other words, the political line will be adapted to reality, without this meaning that a policy in line with the international community and with the financial organizations will not be maintained. Otherwise, creating a policy that would be contrary to these groups would mean harming the Latin community. It would be demagogic to speak about a thorough change that could entail economic instability.

[Gutierrez] This is very important because the social effect that could result in a nation in which its economic policy is handled poorly could be inflation and poverty. You must be fully aware of the fact that we have always defended the market social economy, and even though the concept is redundant, I always call it market social, because I believe in human challenge, which is important to promote. In addition, that has brought together all of the sectors, the workers, trade unions, and so forth. Perhaps, in this manner, you could achieve better communication by seeking what is most important, that is, common well-being.

After making this general explanation, I would like to move on to other informal topics. I heard several reporters, who accompanied you to a meeting in Zone 12, say that your great presidential caravan was made up of three cars and that you made constant stops. You stopped at traffic lights and pedestrians, people in private vehicles, and in buses applauded you. Is this is a sign of your policy?

[De Leon] I believe this is a sign, yes, of a behavior I have always upheld. Logically, every president should observe certain security conditions. What I am trying to do with this new style of government....[pauses] what we are trying to do is not to bother the people. The people dislike the authoritarian nature of orders, as well as the frivolous attitude of the authorities. There must be normal behavior from a president or an authority of that rank. It is not demagogic; it is normal, if you would. Sometimes five or 10 formal [words indistinct] cause the people a greater headache than one big one.

The president of a nation, no matter how small it is, must confront and cope with the great challenges of the general policies. That is for a statesman. Actually, we must take care not to mortify the people. This means not sounding the sirens of the vehicles. This is something I eliminated from the very first day I became president. Many times I was bothered by that, many times I was nearly hit and thrown aside by those vehicles. Naturally, the people—who are already irritated because they have economic problems and a lack of security—suddenly see 10, 12, or 100 of those vehicles, that is very irritating. Same goes for other types of measures that irritate people. For example, there is nepotism. I have ordered that every appointment be carefully analyzed so relatives, either by blood or marriage, will not be hired. I do not want to do this, even if they are excellent people.

Nepotism annoys the people and other things [words indistinct] a style of governing that, I repeat, will not solve national problems, but the people will not be further annoyed by them. They are already annoyed and feel (?betrayed). They will at least see a different behavior similar to what is happening in

[Gutierrez] Mr. President, believe me the people will be forever thankful for all your commitments. The 18 June walk, when your vice president was elected at the Congress, was historic. The march from the Congress will also be historic. Mr. President, what will be the role of the first lady? What will be your wife's role in this unusual government?

[De Leon] Before answering your question, allow me to tell you about the walk. I was growing tired of working so much and thought it was advisable for me to exercise, at least to take a walk. I started to exercise formally on this day. I think it is pleasant to be able to imitate other rulers because the closer one gets to the people, the better. As you said [words indistinct] the people. The more measures of this sort, followed by significant actions to help the people, that are conducted in a serene and cordial, but firm manner, the better.

In answering your question, I have from the very beginning said the post of first lady does not exist. The first lady is the president's wife. This, however, does not mean she does not work. My wife told me this morning she has never worked so hard. She is working very enthusiastically on social programs. There are many areas in which she can help the president. This does not mean she will be in charge of all the social programs.

Quite the contrary, I am trying to find institutions of proven honesty to head such programs, because a major problem involved is the handling of funds. We must be very honest in this regard. We must not only handle resources honestly, but also report on everything we are doing.

She is very enthusiastic about this and will continue to work, especially in programs involving children. She will, however, and I think I will implement this measure immediately, assist institutions that will be in charge of the various programs.

[Gutierrez] Mr. President, what about the famous confidential expenditures? Were they eliminated from the national budget?

[De Leon] That question deserves a three-part answer. First, on the day I assumed the presidency, I asked the Finance Ministry not to touch one cent. The funds are still there. As of my inauguration, nearly 50 percent of the nearly 60 million [currency not specified] budgeted for confidential expenditures, which were subjected to transfers and increases, had been spent in less than five months. I froze these funds and they will be transferred to other programs, especially social programs.

Second, I asked that such expenditures not be included in the 1994-95 budget. I will also present a bill to Congress to reform the basic budget law to ensure confidential expenditures will never legally exist again. We all know in Guatemala that they lead to corruption. Frankly, they serve to buy consciences. This was the first step I took and I am very pleased I did it at the very beginning of my administration because in the past this promise was made often. I remember—and I say this frankly—that this was promised during electoral campaigns. I have heard this promise often and for many years, but it was never fulfilled.

I made this decision as president and announced it before the Congress of the Republic. I think this is a major step in the struggle against corruption. I wish to reaffirm that a key goal of my government is, as I pointed out during my speech, to fight corruption at all levels.

[Gutierrez] What will you do with government officials in your administration who get involved in corruption?

[De Leon] I will fire them immediately and file legal charges against them. Naturally, all the people involved in the corrupt act will be charged because the person who corrupts is as guilty as the one who is corrupted. In my message on 21 June, I clearly stated that I will set an example and, also, that the risks for all the people involved in corrupt actions will increase; both for those who corrupt, as well as for those who are corrupted. Thus, I will be severe with corrupt officials, regardless of their rank, name, or institution where they work. My transition administration will be short and, perhaps, we will not be able to do many things. I take the occasion to also say that I do not have a magic wand to resolve all the things that are not right—but we have principles, [words indistinct] that will be complied. Corruption is one example.

We will, of course, start at home. We will start with the president and his closest associates. Each one of the ministers know they have accepted a post that has an established salary. Period. We will not have—as it is said there was before—bonuses, [words indistinct]. No, the salary is clearly established. I do not know how much a minister makes. I do not even know how much the president of the Republic makes because, as I said previously, I have not yet been here a month and have not received my check. I, however, clearly state that any official, regardless of his rank, who is investigated and found to be involved in corruption will be fired immediately and legal charges will be filed.

[Gutierrez] Let us hope we do not have to expand the Guatemalan jails. Mr. President, priorities have to be established and this is a very important issue. [words indistinct] announcement that you are searching for a cabinet. Can you tell us who else has accepted?

[De Leon] Your question allows me to expound on an issue that has started to elicit concern. It is a difficult issue. I was not prepared to form a cabinet because I was not in the electoral race. The famous shadow cabinets [previous two words in English], as they are called in the UK and are also known here, are formed by presidents who have been elected. When a president is elected, he practically has his cabinet formed already. It, thus, does not take him long to appoint his cabinet. This, however, was not my case. It was not on my agenda to be president of the Republic. All of a sudden I not only have the problem of being president, but also have the problem

that each minister is being totally investigated. I, of course, find this to be a very positive and appropriate measure. Furthermore, [words indistinct] to make a mistake.

I will listen to all suggestions and criticism, but I have to be very careful. I am aware that we are in a hurry, but as Napoleon wisely said: Go slow that I am in a hurry [Despacio, que voy de prisa]. I am going slow. I have not spared any effort, but it is not easy to find the suitable people. Many people have applied, but they are generally not the people I will appoint. Sometimes you find a person and he does not accept because he has other commitments or wants to participate in politics, etc.

We are working to find suitable people. I have listened to many sectors. Almost all sectors have presented proposals on this matter. Some have just sent me profiles and others have sent names. I [words indistinct] not to make a mistake but, even so, I can make a mistake. Although we are going slowly, I believe the entire cabinet will be appointed by next week. As I announced on 21 June, I will reveal the government program for the next six months on 1 July. At that time, I will be accompanied not only by Vice President Arturo Herbruger, but also by all the cabinet members.

[Gutierrez] We still have some in-depth questions left, Mr. President. Would it be correct to assume then that [words indistinct) in the first 90 days of government, you will establish the most important things that are to be done in the two and one half years you have left?

[De Leon] The answer is yes regarding several matters. For example, we will cover fundamental aspects, such as the consolidation of the democratic process, the country's stabilization, and other measures. I have international and national support at this point and must take advantage of this to set the foundation.

This will allow us to govern and present the work we plan to do in the next two years for the Guatemalan people. So, yes, I do agree with you that those 90 days will set the foundation and definitive decisions will be made, which may not be possible later. We must take advantage of this situation.

[Gutierrez] Regarding the concept of a magic wand—it is incredible how the people, when they welcome a new president, adorn him with that aura and magic wand, which is really not true. I think that, in any case, the people should understand their leaders and see their real honesty and support them.

Briefly, Mr. President, it would seem that you have given the peace process secondary priority status.

[De Leon] Before answering your question, let me address the people's expectations. I have to be very honest. Although the economic policy guidelines do not call for any major undertakings, which I did not mention before, they do call for smaller projects that will reach the people in the rural areas, specifically to fight poverty. Along this line, then, we will get closer to the people. I also wanted to address a previous question ...

[Gutierrez, interrupting] [words indistinct]

[De Leon] No, before that on the participation and the...

[Gutierrez, interrupting] I mentioned a magic wand.

[De Leon] That is right, about the people's expectations, I mean. I will be very frank with you, because I have not yet made any offers. I have the great advantage that I have not had the opportunity to make any offers. On 1 July, I will make some offers for the next six months and on 15 August I will offer what we will implement during the next two years. I must ask the people cordially, but firmly, to understand that there is no such magic wand. I have not yet offered anything and what we are going to implement is precisely what we are going to offer. I have even said that we will present it in a graphic way with three columns. In one column, we will have what we offer to implement; in a second column, we will have what we did or did not complete; and in the third column, we will note criticism. The people will be able to express their criticism in the media or on a program such as this, of course.

[Gutierrez] I would like to rephrase my question about peace. It had been said that 1993 is the year for peace and incredible changes in Guatemala. Briefly, will 1993 be the year of peace in Guatemala?

[De Leon] We really hope so. I think circumstances are much different now. A month ago things were one way and now they are totally different. It is not that I have not wanted to give the peace issue the importance it deserves, of course. I have always said we must not loose an opportunity to save a human life. One human life that we can save is so important when we consider the value and the effects that life has on others. What has happened is that the current circumstances call for me to tend to—and I must tend to them—matters that will assure stabilization and consolidation of the system. When the proper time comes, after collecting all the information on the stage and the state of the peace process, which has stalled to use a word, we will make a formal government statement and then continue the peace process to attain, in the shortest time possible, the peace that everyone has been hoping for more than 30 years of fighting. We all know how much we would like the fighting to stop. I think the conditions are such and the internal and external elements are established in such a way that the subversive groups and the Guatemalan National Revolutionary Unity must be considering a swift integration into the Guatemalan political system. I think we will be seeing that happen shortly.

[Gutierrez] I thank you very much, Mr. President for being with us tonight on "Free Encounter." We wish you the best of luck, because Guatemala deserves it.

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Honduras

Human Rights Commission Head on Lack of Cooperation

PA2106222893 San Pedro Sula LA PRENSA in Spanish 18 Jun 93 p 57

[Text] Tegucigalpa—According to Leo Valladares, head of the National Human Rights Commission, the Armed Forces violates human riots more often than any other Honduran institution, and the judicial branch has cooperated the least with the Human Rights Commission in the first six months of its existence.

Valladares said the Commission's main achievement has been to become a credible body that serves people who have suffered from human rights violations.

Valladares said that among the Department of National Investigation, the Public Security Forces, and the Army, the Armed Forces is the leading violator of Honduran human rights due to its illegal arrests, recruitment practices, and abuse of authority.

Valladares admitted, however, that the Armed Forces has responded the most promptly to Commission requests and has attempted to resolve cases in which it has been involved.

Valladares expressed concern over the judicial branch's failure to cooperate with the Commission and said that it will continue to request information, as is being done at other institutions that have declined to cooperate.

He said that if the judicial branch does not respond, "and if we have the proof, we will assume that human rights were violated."

Valladares added that the Commission "has established a waiting period and is preparing a report on the present situation at the judiciary."

Panama

Deputy Foreign Minister on Serrano Extradition

PA2106231793 Panama City Radio KW Continente in Spanish 1200 GMT 21 Jun 93

[Telephone interview with Deputy Foreign Minister Jose Raul Mulino by Homero Londono—live]

[Text] [Londono] We have Deputy Foreign Minister Jose Raul Mulino on the line. Deputy Minister Mulino, what can you tell our listeners about reports that Panama has received an extradition request for former Guatemalan President Jorge Serrano Elias. Is that true?

[Mulino] Thank you, Homero. Guatemala's ambassador to Panama on 18 June verbally conveyed a request by the Guatemalan Foreign Ministry to our Foreign Ministry that Jorge Serrano Elias be placed under preventive arrest for a number of crimes. I think there are four or five criminal charges: abuse of authority, violating the constitution, usurping powers of state branches, or something along those lines; I do not recall exactly.

The request is based on a petition filed by a circuit court judge at the Guatemalan Foreign Ministry.

We have acknowledged the notification and will study the request over the next few days in accordance with the international agreement invoked by the Guatemalan Government.

[Londono] Does that mean the Foreign Ministry has not yet received a request for Serrano's extradition?

[Mulino] No. This is all we had received up to the afternoon of 18 June, when the Guatemalan ambassador arrived—in heavy rain, I might add—at the Foreign Ministry and presented the request I just mentioned.

[Londono] Deputy Minister Mulino, what is your opinion of the criticism the Panamanian Government has received for granting political asylum to former Guatemalan President Serrano Elias in spite of the fact that Panama also endorses the Betancourt Doctrine, which does not support coups d'etat?

[Mulino] Homero, your question is very important. Those who have criticized the government's decision to grant asylum to former President Serrano are confusing two things. The Betancourt Doctrine, which the Panamanian Government does indeed endorse, has been applied on two different occasions: in the cases of Haiti and Peru. It was also invoked in determining future measures in Guatemala's case if constitutional order had not been reestablished. It has absolutely nothing to do with the asylum granted to Mr. Serrano.

The Betancourt Doctrine is intended to safeguard constitutional order and governmental respect for representative democracy, while political asylum is intended to protect the life and physical safety of someone who is being politically persecuted, in this case former President Serrano.

This is a textbook example of how the right to asylum operates. The most common example is that of an overthrown president.

Argentina

Menem Says 'Positive Prospects' Exist in Meeting Clinton

PY2206004593 Buenos Aires LA PRENSA in Spanish 21 Jun 93 p 1

[Excerpt] President Carlos Menem held official and party activities in Santa Fe Province yesterday. In Rosario, he headed the 20 June flag day ceremony and then installed Provincial Governor Carlos Reutemann as the new head of the Justicialist Party in that province.

Looking ahead to the eventual result of his trip to the United States next week, President Menem called relations between the two countries "excellent" and emphasized that there are "very positive prospects" for the meetings he will hold with President Bill Clinton.

Menem, who reiterated that the Condor II project is "definitely deactivated" and that all its components have been delivered, in Rosario presided over the main ceremony to celebrate the anniversary of the death General Manuel Belgrano, the creator of the national flag. Menem then went to Santa Fe, the provincial capital, to attend the installation of Governor Carlos Reutemann as the new head of the Justicialist Party in that province. [passage omitted]

Camilion Denies Disagreement Over Condor II

PY2206025493 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2229 GMT 21 Jun 93

[Text] Buenos Aires, 21 Jun (NA) — Defense Minister Oscar Camilion today denied that there is any type of disagreement with the Foreign Ministry regarding the policy that is to be followed on what is left of the Condor II missile.

In remarks to a radio station, Camilion stressed that "there is no type of discussion between the ministries, and anything that is said to the contrary, then, is not the truth," and he added that "within a few days it will be seen that these matters have been overcome."

The defense minister also stated that "the case of the Condor missile should be a topic for public debate because it is a very sensitive topic," especially, he added, "in view of the president's imminent trip to the United States."

Camilion stressed that his position is that of "ending this problem to the satisfaction of all parties involved."

"Decisions are not made in a watertight compartments in this government because it has only one line of thought," Camilion said.

The minister maintained that "on my part I am not going to discuss in public a matter that by definition is considered to be secret."

Di Tella Terms Talks With Kelpers 'Spectacular'

PY2106144693 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1411 GMT 19 Jun 93

[Text] Buenos Aires, 19 Jun (NA)—Foreign Minister Guido Di Tella today termed "spectacular" the talks he held with the Kelpers during a radio program aired by the BBC of London, although he admitted that the islanders reaffirmed their rejection of Argentine sovereignty over the Malvinas Islands.

This morning, speaking from London, Di Tella told Radio Mitre: "Our position will never change, and they echoed it."

The foreign minister said: "Considering the risks implied in the radio program (the contact with the Kelpers), "it was spectacular." He added that he was "excited because everything turned out well."

The BBC program yesterday was the first formal contact between the Argentine foreign minister and the Kelpers.

Di Tella said: "There was the possibility that the program could have been 'doctored' by the islanders: that no one would call, or that someone could call to insult."

"Neither happened," he said.

He explained that the islanders who participated in the dialogue "gave their viewpoint." One of the Kelpers, the most representative of all islanders, asked for "a face to face conversation."

Di Tella said: "This is exactly what we want," adding that the talks "had been indirect" because it was the desire of the islanders."

Concerning sovereignty, Di Tella admitted that "of course" the Kelpers rejected the Argentine demands on the southern islands, adding that "our position will never change."

He described as "very important" the network communication, adding that he would say "nothing else" on the matter "or he would appear to be boasting."

Di Tella said: "No other Argentine foreign minister has addressed the islanders," and for this reason he termed the contact "a very important landmark in relations" between Argentina and the Kelpers.

He concluded by saying that he will not "answer any" of the remarks by dismissed Ambassador Oscar Spinosa Melo, who on 12 June said that "Di Tella handles the Foreign Ministry as if it were one the family companies he has ruined" over the past few years.

The foreign minister will leave today for Washington, where on 22 and 23 June he will head the Argentine delegation to the bilateral meetings on security with the United States.

Moreover, Di Tella will brush up details on the visit President Carlos Menem will make to that country, which will include a meeting with Bill Clinton on 29 June.

Bolivia

President-Elect 'Would Legalize' Drugs 'if Allowed'

PY2106183093 La Paz Television Nacional Network in Spanish 1700 GMT 21 Jun 93

[Text] Senator Leopoldo Fernandez of the MIR [Movement of the Revolutionary Left] has reacted to remarks by [President-elect] Gonzalo Sanchez de Lozada concerning drugs.

According to press publications, Gonzalo Sanchez de Lozada has reportedly said that if allowed, he would legalize drugs in the country. Several comments have been made on this matter in the national political area.

[Begin Fernandez recording] It is too dangerous. It is not like legalizing alcohol, which does not provoke an addiction like drugs. Thus, if drugs are legalized, the state will assume responsibility for drug addicts. The Netherlands have experience in this field, seeking to avoid further violence among drug addicts. There is a special program of assistance with drugs, because the Netherlands has a law that provides for this assistance. To do this the government spends a tremendous amount on resources which Bolivia could not do if the drug is legalized, because when the drug is legalized, the state assumes responsibilities. Thus, we are not in a position to compare the legalization of alcohol with that of drugs. I think it would be very harmful. [end recording]

Brazil

Military Commander Questions U.S. Maneuvers in Guyana

PY2206023793 Rio de Janeiro O GLOBO in Portuguese 21 Jun 93 p 5

[Text] Brasilia—General Rubem Bayma Denys, former military household chief under Jose Sarney's administration and current commander of the Eastern Military Command, yesterday shared Senator Jose Sarney's (PMDB-AP) [Brazilian Democratic Movement Party-Amapa] concern about the vulnerability of the country's northern borders, which was reported in an article published by O GLOBO newspaper. Sarney believes that in addition to the official motive—training to fight drug trafficking—the United States has veiled intentions because it covets the wealthy Amazon territory.

Bayma Denis on 20 June defended the presence of the state in the region through the reactivation of the Calha Norte Project, which mobilized civilian and military forces to defend the border during the Sarney government, and he also defended other programs for the development of the Amazonia, project which have been paralyzed due to the lack of funds.

"A country such as ours must have a strategic policy for the future that will look after national interests. We are talking about a region that attracts all types of interests. And the presence of the government in the border regions is very important," Bayma Denys said. This general commanded the now-defunct Saden (National Defense Secretariat).

Meanwhile, the general did not wish to comment on the war training in the jungle being carried out by American soldiers in Guyana, near the border with Brazil.

"That is something between the U.S. Government and the Brazilian Government."

Senator Jarbas Passarinho (PPR-PA) [expansion unknown-Para State], a retired Army colonel, on 20 June also questioned the presence of foreign soldiers close to Brazilian borders, because Brazil, according to him, offers the best jungle war training in the world at the Jungle War Training Center (Cigs) in Manaus.

"In the past Brazilian officers trained in Panama. Later the Cigs promoted bringing foreign officers to Brazil. Therefore, what is the reason for these U.S. maneuvers close to the border if those officers have access to the Brazilian course," Passarinho asked.

Official Plays Down U.S. Exercises

PY2206024793 Rio de Janeiro O GLOBO in Portuguese 21 Jun 93 p 5

[Text] Brasilia—The U.S. military exercise near the Brazilian border is one of the main issues being discussed by President Itamar Franco with his military ministers. Yesterday, however, Strategic Affairs Secretary Mario Cesar Flores tried to play down the importance of the U.S. exercises in Guyana by saying there is no need for concern.

He added: I have no problem in saying that this issue does not concern me a bit. U.S. troops carry out exercises all over the world.

The truth is, however, that by making those comments on behalf of the government on this issue, Flores followed the strategy adopted by the military since the exercises were reported by O GLOBO last May. In order not to provoke an international war of words that may create possible diplomatic incidents, military personnel officially minimize the exercises while holding meetings to discuss the issue.

After the May event in Guyana, the government guaranteed additional resources and special credits to reequip the Armed Forces and intensified vigilance at the borders. While Finance Minister Fernando Henrique Cardoso discusses cuts in all sectors, the budget for the Armed Forces will be the only one completely preserved this year.

Maneuvers Reportedly To Continue

PY2206024493 Rio de Janeiro O GLOBO in Portuguese 21 Jun 93 p 5

[Text] The U.S. troops that conducted operations in May in Guyana will return to that country twice more this year. Guyanese President Cheddi Jagan has already authorized the new maneuvers on the border with Brazil, but he says that he will not allow U.S. troops to remain permanently in his country.

Brazilian and Venezuelan military observers believe that Jagan will find it very difficult to resist U.S. persistence for any length of time. Guyana is the poorest country in the Southern Hemisphere, and the presence of troops guarantees equipment and technology in the military sector; this factor may lead Jagan to cede a base in Guyana for the United States.

In May, 200 soldiers, 30 officers, and academy graduates [pracas graduados] carried out maneuvers on the border with Brazil. Helicopters, amphibious craft, and even a Boeing jet were used to transport troops. Training for the fight against drug trafficking is the official pretext for the maneuvers, because the conditions in the Amazon jungle cannot be found in any other region of the world.

Government Majority in Congress 'Dangerously Fragile'

PY2106152893 Rio de Janeiro O GLOBO in Portuguese 19 Jun 93 p 2

[From the Political Panorama Column by Tereza Cruvinel]

[Text] Although the very urgent session to vote on the IPMF [Provisional Tax on Financial Operations] was a political test for the government in Congress, a closer look at the voting list demonstrates that the government has a majority, but a dangerously fragile majority. Taking advantage of this fragility some allied congressmen forced the postponement of the final voting session to gain time and strength to solve some dissatisfactions regarding the appointment of second-echelon government officials.

Most of the deputies who voted in favor of the government bill on 16 June but who then disappeared during the 17 June voting session belong to the PMDB [Brazilian Democratic Movement Party] who have unresolved conflicts over the appointment of second-echelon government officials in Minas Gerais, Sao Paulo, and Ceara States.

Other parties also have bills pending with the government, demonstrating that the public spirit which the finance minister so dearly invoked on 14 June continues to be scarce.

The government will again test its strength on 22 June in a new attempt to have the IPMF bill approved in the Chamber of Deputies. During the first voting session it obtained the support of 298 of the 404 congressmen, indicating an apparently wide winning margin: 46 votes more than the 252 that constitutes the majority. This margin drops to 19 if the 27 votes granted by the PDT [Democratic Labor Party] in retribution for the liberation of funds to construct the Linha Vermelha [Rio de Janeiro subway system] are discounted.

The 21 votes granted by the PP [Popular Party] in retribution for the $26 million released for the construction of the subway line of [Federal District] Governor Joaquim Roriz must also be counted on the sideline. If at least 10 of those 21 votes who belong to the bloc of Roriz remain faithful, the government can say that it has 260 votes in the lower house, that is, just eight over the majority. This advantage is dangerously small when parties are so vulnerable to things like second-echelon posts and budget allocations for regional projects.

To get the IPMF approved without having to suspend the budget cuts, ministers and party leaders have until 22 June to negotiate those second-echelon posts that remain vacant. If the whole FHC [Fernando Henrique Cardoso] Plan depends on this gymnastics exercise, there will not be enough posts.

* Study Reflects Modernizing Views of Current Congress

93SM0301A Sao Paulo EXAME in Portuguese 26 May 93 pp 34-36

[Text] *From the same Congress that in 1988 produced a Constitution full of anachronisms, encouraging ideas are sprouting on the eve of its revision.*

It seems hard to believe that Congress, five years after having voted for a Constitution full of nationalism and statist delirium, is ready to produce a considerable number of modernizing changes. Well, well: a survey taken among the legislators in March shows that, at least in theory, there is some chance this is what will occur during the Constitutional revision scheduled for this year. The findings of the survey, conducted by the Brasilia-based Brazilian Institute of Political Studies, IBEP, depict a new profile of a Congress that is much different from the one that drafted the 1988 Constitution. The responses given by a sample of 102 deputies and 16 senators portray a legislative branch that wants to trim the size of the state and revisit taboo subjects such as the monopoly on petroleum, besides recommending equal treatment for domestic and foreign companies.

This means, simply, that lawmakers are contemplating a 180-degree turn on some of the topics that electrified the debates in the Constituent Assembly and were always resolved in favor of solutions that either distanced Brazil from the international community or consecrated restrictions on free economic enterprise. "The poll bears witness to a natural evolution of the post-Berlin Wall phase," said Rio de Janeiro Deputy Roberto Campos (PPR) [Progressive Renewal Party], a traditional liberal and one of the most ardent defenders of a genuine

revision of the constitutional text. "The 1988 Constitution was the swan song of populist nationalism. Now we have entered a post-socialist and pre-liberal phase."

In fact, the IBEP study, prepared to assist the institute in its regular activities, justifies statements like those made by Campos, particularly when the survey responses are compared with the results of the voting by the Constituent Assembly. Example: in that year, discrimination against foreign companies won the votes of an overwhelming majority of the legislators. Only 16 members of the assembly opposed special treatment for Brazilian companies, compared with 499 in favor of that provision. Things seemed to have turned almost inside out since then, judging by the poll. Half the respondents said they were in favor of eliminating the distinction. "Congress is also realizing that foreign investment is one of the most effective ways of developing the economy and creating jobs at low cost," said Eduardo Muzzi, director of government relations for the Dow group, a U.S. giant in the chemicals field. Muzzi thinks the new circumstances on the world scene and the increased maturity of the public, are influencing the behavior of the Congress. "The situation was quite different in 1988; the country was returning to democracy and oratory in favor of national sovereignty, and autonomy was very appealing," he said. "Now, the globalization of the economy has weakened the concept of nationalism in favor of a search for product excellence."

One gets the feeling that, despite so many corporativist flaws and a lengthy statist career, the Congress is unable to remain immune to the liberal trends that were strong enough to cause the breakup of powerful empires like the Soviet Union. In the opinion of some experts, like political scientist Bolivar Lamounier, there are specific reasons for the resistance to accepting the collapse of statism that persisted in Brazil until recently. "Until the 1970's that type of model, whether good or bad, was able to develop this country," said Lamounier, a researcher at Sao Paulo's Institute of Economic, Social, and Political Studies. "But with changes in the world ideological environment and the stagnation in this country, it is natural that legislators would rethink their assumptions."

Judging by the survey, the change in mentality as regards interventionism is more than obvious. A generous majority of respondents declared themselves in favor of a reduction in the role of the State (see table). Even the Petrobras [Brazilian Petroleum Corporation] monopoly, one of the sacred cows of Brazilian nationalism, no longer has the support of most of the Congress. When you add in those who advocate passing the responsibility for prospecting and drilling for petroleum on to private enterprise or providing for joint exploration efforts, you get a total of 59 percent of the legislators. On the one hand, this is surprising when one recalls that in the Constituent Assembly, 441 deputies voted in favor of the monopoly. But when you look at certain events in the life of this nation during the past five years, it becomes easier to understand the reason for the turnabout. Congressmen cannot fail to have noticed that workers at Usiminas [Minas Gerais Iron and Steel Company, Inc.], for example, jumped at the opportunity to buy stock in the firm when it was privatized. By the same token, not even the most recalcitrant will fail to acknowledge that the pro-statist demonstrations are less and less capable of uniting multitudes of supporters or mobilizing significant social groups.

What the Legislators Think
Responses by deputies and senators consulted in a poll taken by IBEP (in %)

Issue	The Full Congress	Chamber of Deputies	Senate
On economic topics...			
Favor reducing role of the State	69	70	63
Favor ending state monopoly on petroleum exploration	59	56	75
Favor increased openness vis a vis the rest of the world	63	63	63
Think price controls exacerbate inflation	68	66	81
Accept foreign capital participation in mining	69	68	75
Propose equal treatment of Brazilian and foreign companies	50	48	63
...rating the country's biggest problems			
Recession	64	65	56
Corruption	59	59	63
Inflation	50	45	76
Poverty	42	42	44
Education	47	44	63
Government deficit	30	30	25
...rating the government's biggest problems...			

What the Legislators Think

(Continued)Responses by deputies and senators consulted in a poll taken by IBEP (in %)

Issue	The Full Congress	Chamber of Deputies	Senate
On economic topics....			
Favor reducing role of the State	69	70	63
Tax evasion	86	86	81
Government apparatus too big	63	62	69
Waste	77	76	81
Economic stagnation	67	68	63
Inefficiency of state enterprises	60	59	69
Poor distribution of responsibilities among the three spheres of the federal government	59	62	44
...and where the State should play a role			
Petroleum	50	50	44
Highways	52	54	31
Electricity	51	51	50
Telecommunications	44	45	31
Railroads	39	40	32
Financial and banking sector	31	32	25

Political Archaeology

Old theories that were popular until a decade ago are now fated to become political museum pieces. Expressed in the kind of language that always interests the legislators, they do not attract as many votes as they used to. For this reason too it is natural, then, for congressmen to update their opinions. Price control is one of the topics they have revisited. According to the survey, 68 percent of respondents believe that device has an inflationary effect. This attitude surely reflects widespread public dissatisfaction with heterodox "packages" of measures initially touted as miraculous, but that in the end served to fuel the fires of inflation. Some people say it was an expensive lesson. "We had to go through countless freezes and the subsequent returns of inflation before legislators finally came to understand that the market is the best way to regulate prices," said Bahian Deputy Luis Eduardo Magalhaes, the PFL [Liberal Front Party] leader in the Chamber. Well, better late than never. That is what Antonio Salgado Peres Filho thinks, for example. He is director of international affairs at Nestle, the Swiss-based multinational food company. To Salgado, the change in attitude noted among congressmen necessarily accompanies movements in society. "The fact that the poll shows a new profile is cause for celebration," said Salgado. "It is evidence that Congress is more in tune with public opinion."

Oddly enough, however, there are legislators who recommend a cautious interpretation of the survey findings. The PFL leader is one of these. Magalhaes disagrees with the assessment by sociologist Walder de Goes, one of those responsible for the study, who termed the present Congress "basically liberal." The PFL deputy thinks "there has been a change, but not sufficient to deal with the structural issues that hamper solution of the crisis." Magalhaes cites figures from the poll itself to justify his position. Although half the congressmen surveyed said that inflation is this country's biggest problem, only 30 percent identify the battle against the government deficit as a priority. "Everyone is in favor of fighting inflation, but no one wants to cut spending," said Magalhaes. "The fact is, Congress does not want to lose its power to submit amendments to the budget."

According to Magalhaes, corporativism is still so strong that congressmen readily disregard a theory on which the nation is nearly unanimous: that it is impossible to defeat inflation while keeping the doors to government vaults wide open. This aspect also worries Sao Paulo Deputy Jose Serra (PSDB) [Brazilian Social Democracy Party], an economist. The "tucano" lawmaker believes the country's biggest problem is neither the presence of the State in the economy, nor the xenophobic rancidities scattered through the 1988 Constitution. "The biggest problem is that there is a permanent alliance in Congress against the exchequer," Serra said. So, although he agrees with the poll and believes the legislative branch is "largely in favor of shrinking the State and opening the economy up to the rest of the world," Serra does not think this is enough. "What we need is a more advanced posture as regards the fiscal question," he said. "Brazilian liberals are not austere. They are populists."

Cold Water

Albeit for different reasons, there are other deputies who also prefer to throw cold water on the figures. This is the case with Sao Paulo Deputy Aloizio Mercadante (PT) [Workers Party]. "The sample merely indicates a trend as regards clashes that promise to be distressing," Mercadante said. "When it comes time to vote, then we will

really see how backward the Congress is." The warning makes sense. Not infrequently have the results of deliberations in Congress contradicted opinion polls conducted among legislators. One example: in 1988, shortly before the vote was taken on the extension of the mandate of then-President Sarney from four to five years, a survey concluded that those opposed to the extension would win. The opposite occurred. Also in the Constituent Assembly, when the dispute between the presidential and parliamentary systems of government took place, the latter was tapped by the polls as the winner. Another mistake: presidentialism won out.

The explanations for these reversals of fortune are not hard to figure out. As is the case in any Congress, the Brazilian legislators are subject to influence by lobbies [preceding word in English] that intensify their efforts as decisive moments approach. Furthermore, favor-swapping proliferates, and it is not unusual to find a deputy who swore on the eve of the vote that he would defend a certain position turnaround and vote the opposite way the next day. "There is a difference between the opinion expressed to the pollster and one felt at the moment of decision," said Lamounier. "When it is time to vote, a deputy is subject to much greater pressure from his constituents." Add this to the deep-rooted corporativism of the Congress and it becomes easy to understand the following fact: it was not long ago that the same legislators who declared in the survey that corruption is one of the great national problems, ranking second only to the recession, squelched attempts to investigate the well-drilling scandal involving Speaker of the Chamber Inocencio Oliveira.

Snapshot

Even the man who set up the survey warns of the need to look at the figures within a specific context. "The survey is a snapshot that portrays the position of the congressmen at a time when there were no debates in preparation for a vote on this issues," said Goes, of IBEP. "In a radicalized atmosphere, both nationalist and corporativist influences become stronger." Even so, Goes argues that the effort is worthwhile because of the trends it indicates. According to the specialist, the study proves that the liberal inclinations of the Congress are less diffuse than they were before. He is probably right. It is also undeniable that the current legislature brings together a critical mass of enlightened lawmakers, a mass that is more consistent than it was before. Now whether or not those factors will materialize into concrete decisions during the constitutional revision is something no poll can predict. It can only tell us whether the conditions under which the battle will take place are more or less favorable. But the final outcome, as always, will depend on the pressure brought to bear by organized groups in Brazilian society. [Box p 36]

On the Front Line

Since 1985, Goes & Associated Consultants, a political analysis firm in Brasilia, has been surveying and categorizing members of Congress. Using voting records and directed observation, the company has identified three kinds of lawmaker: the policymakers and debaters, the tacticians and negotiators, and the opinion-shapers. The list is revised every three months, the latest update having been published this past April.

Among the policymakers and debaters one finds names such as Deputy Nelson Jobim (PMDB-RS) [Brazilian Democratic Movement Party, Rio Grande do Sul]. "His arguments on the floor always command a respectful audience," said Walder de Goes, a director of the consulting firm. In the same category are Deputies Jose Genoino (PT, Sao Paulo), Jose Serra (PSDB, Sao Paulo), Gerson Peres (PPR, Para) and Senator Josaphat Marinho (PFL, Bahia).

Congresswoman Roseana Sarney (PFL, Maranhao) is listed among the tacticians and negotiators. She was one of the leading organizers, in the Congress, of the bloc that ordered the impeachment of Fernando Collor. Alongside Roseana are personalities such as Rio Grande do Sul Senator Pedro Simon (PMDB), now the administration's leader in the Senate, and Deputies Jose Carlos Aleluia (PFL, Bahia), Jose Dirceu (PT, Sao Paulo) and Genebaldo Correia (PMDB, Bahia). Recently, Deputy Benito Gama (PFL, Bahia), chairman of the impeachment [Congressional Investigating Committee], was added to the list. "Today he is one of the most influential men in the Congress," said Goes.

In the group of opinion-shapers are lawmakers who have become known for technical knowledge or charismatic leadership. Deputies Roberto Campos (PPR, Rio de Janeiro) and Delfim Netto (PPR, Sao Paulo), always sought out when the subject is economics, are two who fit this description. Along with them appear such men as Senator Eduardo Suplicy (PT, Sao Paulo) and Deputies Waldir Pires (formerly of the PDT [Democratic Labor Party] but now unaffiliated) and Reinhold Stephanes (PFL, Parana).

Chile

Italian Ambassador Denies Berrios Presence in Italy

PY2106233193 Santiago Radio Cooperativa Network in Spanish 1700 GMT 21 Jun 93

[Text] Italian Ambassador Michelangelo Pisani-Massamorile has confirmed that Eugenio Berrios, former Dina [National Intelligence Directorate] agent, is not in Italy.

This is how the Italian ambassador denied reports that Berrios was in that country. The ambassador made this comment after meeting with Chilean Foreign Minister Enrique Silva Cimma, to whom he explained that the Italian Government is willing to cooperate to locate Eugenio Berrios. The ambassador said that anybody who does not want to surrender to the police will say where he is, referring to a picture showing Berrios with a Milan newspaper dated 10 June. The ambassador also reported that the Italian branch of Interpol has delivered to its Chilean branch the information refuting the stay of Berrios in Europe.

The ambassador concluded by saying that the channels of cooperation between the two governments are working without any problems.

Colombia

Gaviria Says Europe, U.S. Abandoning Region

PA2206025193 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 0138 GMT 22 Jun 93

[Report by Jesus Garzon]

[Text] President Gaviria on 21 June criticized the United States and Europe for abandoning Central America. Gaviria met with Honduran President Rafael Callejas on San Andres Island and said that Colombia, Mexico, and Venezuela will try to fill the vacuum.

[Begin Gaviria recording] Only through unity can Latin American countries succeed in their struggle to guarantee that no absurd and excessive conditions are imposed upon them by multilateral organizations. [end recording]

Gaviria and Callejas took a few hours to discuss the problem of Latin American exports to Europe and pledged to sign a cooperation agreement against drug trafficking.

[Begin Callejas recording] We will continue to ask for cooperation from all countries which, like Colombia, make a great effort in the struggle against drug trafficking. [end recording]

Gaviria insisted on the need for Latin American banana- and coffee-producing countries to join efforts to face restrictions that the EEC will begin to impose next month.

Paraguay

Wasmosy on Future Administration Priorities

PY2106135393 Asuncion ABC COLOR in Spanish 19 Jun 93 pp 2, 3

[Text] [President-elect Juan Carlos] Wasmosy went to Government House at the request of President Rodriguez, as was later reported to the press, on the morning of 18 June to discuss issues concerning the national budget and to inform the chief of state about his visit to Brazil as well as his scheduled trip to Buenos Aires on 22 June, in response to an invitation sent by Argentine President Carlos S. Menem.

Wasmosy stated that his administration's main concern will be to balance the budget. To this end, Wasmosy said he will continue to rely to a certain extent on royalties [preceding word in English] and compensations from the Itaipu hydroelectric dam. He asserted that balancing the budget will be central to his administration's economic policy, which he defined in very simple terms: One must live within one's means.

Wasmosy said: "The thing is that the budget must conform with the government's program, but one must study whether one will have the necessary resources at one's command. We discussed this issue (with Rodriguez). We reviewed the ministries and agencies we had already studied. This is a normal process in a transition from one administration to another. We requested clarifications on certain things and learned about others."

Education, Health, and Road Infrastructure

Wasmosy underscored that education, health, and road infrastructure works—so that agriculture production will no longer be lost due to weather factors—will be top priorities in his administration's budget. "We have a plan with the Inter-American Development Bank; we are conducting negotiations with the IBRD [International Bank for Reconstruction and Development] (World Bank) and the Fonplata [River Plate Basin Development Fund]" to obtain foreign aid for these plans.

With regard to the lack of resources to meet the government's program, Wasmosy remarked: "I can tell you right away that it will no longer be a problem, because once the payment of Itaipu's royalties [preceding word in English] and compensations are normalized, the only revenues of which we will not know the exact amount to be collected are local taxes, and that is always normal in any budget."

He pointed out that ideally, revenues from Itaipu should not be allocated to finance the budget but rather should be earmarked for development projects, as they were originally intended, but this cannot be accomplished in the twinkling of an eye.

A New Campaign To Increase Taxpayers' Fiscal Awareness?

From what Wasmosy said, it is possible to infer that the government will implement a new campaign to increase taxpayers' awareness of the need to pay taxes, as upon being asked how he will manage to do without Itaipu revenues in his administration's budget, he said: "Once we get the economy moving and the country grows, once we launch a campaign to increase taxpayers' fiscal awareness and their knowledge about what the VAT is, people will pay taxes as a matter of course. Many people fail to pay the VAT because they do not know how to do it."

Wasmosy further stated that his administration intends to inform the people "from time to time" about how tax revenues are allocated, as "it will soon stimulate people's interest in paying taxes because they will already know what their tax money is being appropriated for."

"We Have Plans for Country Folk"

At one point during the news conference, Wasmosy stated: "Even though I do not wish to go into detail, we have plans to help the country folk with tractors, with aid, but I dare not say now that we are going to use such-and-such things."

When it was brought to his notice that farmers find it quite difficult to have direct access to public money, Wasmosy noted that his administration will allot funds

to farmers for the cotton and soybeans harvests at the time they need them rather than when farmers are already at the mercy of middlemen that have fleeced them of the money they could make not only in that year but in many other years as well. He said: "If we give them the money at the appropriate time, if we charge a reasonable interest rate to lend them the money they need, they will neither have recourse to deal with profiteers nor to any other additional financial agent but to the appropriate banks. It is precisely there that we are going to buttress our agricultural policy."

The flip side of this policy is that at the government level, "we are going to reduce spending as much as we can. We must make the whole apparatus of government smaller. In order to do that, we are going to effect a privatization program."

Dollars for Agro-Exporters

Wasmosy said: "I would rather not use the rediscount system because we would then need to impose monetary control to withdraw that money from the market. I advocate using dollar deposits to help agro-exporters, given they already operate in dollars when buying cotton, soybean, tobacco, or mate. This measure will not fuel inflation. On the contrary, it will, from the financial standpoint, help bring down interest rates."

Off to Buenos Aires on Tuesday 22 June

Wasmosy accepted Argentine President Carlos S. Menem's invitation to visit Argentina and will travel to Buenos Aires on 22 June. Wasmosy said he will go armed with a flexible agenda, like that he took to Brasilia. He added that his conversation with Menem will probably touch upon the issue of Yacyreta hydroelectric dam.

He Declined to Comment on Argana's Statement

Asked about Dr. Luis Maria Argana's remarks that the new government will only benefit entrepreneurs, disregarding the popular classes, Wasmosy replied: "He has his ideas and I have mine."

When a journalist asked him about Argana's statement that the president-elect will enforce a neoliberal policy, opposing the Colorado Party principles of nationalism and support for the peasant class, Wasmosy replied: "I decline to answer."

Wasmosy added that state expenses will be streamlined by properly reassigning human resources, making clear that personnel will be transferred among institutions.

He confirmed that former Chilean Finance Minister Hernan Buchi will arrive on Wednesday 23 June, when a decision will be made on whether he will cooperate with the new government. He said everything will depend on Buchi's salary expectations.

Concerning General Lino Oviedo's possible candidacy to the presidency in 1998, Wasmosy said that "it is accurate in part and inaccurate in part." He said this at the Metropolitan Cathedral, which he visited to observe the repairs it is undergoing for the Tedeum on 15 August.

Wasmosy first asked journalists to identify "who mentioned Oviedo's candidacy." When he was told that the report was published by the newspapers, he replied: "Sometimes newspapers tell the truth; sometimes they tell half truths." He explained that he was not referring to all newspapers.

Wasmosy was accompanied by U.S. Ambassador Jon Glassman. Asked whether the military might have become the victims of the press, the president-elect replied:

"I would not say the military are the only victims; there are several factors. You must be aware that you are the voice of society." He added that only if the press tells the truth at the right moment will it be possible to build a better country. He said: "People are sometimes reluctant to tell the truth, and do not tell it at the right time." Wasmosy clarified that he commented on the role of the press because the journalists prompted him.

Peru

* MRTA Activity in Huallaga Investigated

93WR0261Z Lima QUEHACER in Spanish Mar-Apr 93 pp 68-79

[Article by Carlos Reyna, Development Studies and Promotion Center (DESCO) Information Area investigator, who traveled to Tarapoto "at the end of March": "We Know Who Is Losing the War; But Who Is Winning It?"]

[Text] There still is no novel about Huallaga. On the other hand, the Maranon, another of the great Peruvian rivers, has already been made the overpowering protagonist in one of the works by Ciro Alegria. Nonetheless, for some years now, there has been in the region of the Huallaga an unusual variety of outrageous stories and personalities. These stories and these characters will, in the end, find the writer who will incorporate them and the river in the realm of literature. Meanwhile, real events continue to occur, and the material that will one day be translated into fiction continues to accumulate, even though these occurrences would seem to be the product of an imagination of the wildest sort.

Good-bye to the Militia

In recent months, the most visible aspect of the retreat of the guerrilla forces in the Central Huallaga region has been the phenomenon of the "repentant ones"—in other words, the deserters from the MRTA [Tupac Amaru Revolutionary Movement] who are surrendering to the court authorities in order to legalize their status, in exchange for serving a period of time in the barracks of the political-military command.

These "repentant ones" do exist. They are not some propaganda invention of the forces of the state. They are

surrendering by the dozens through the humanitarian organizations that provide them with some guarantee that they will not be mistreated after turning themselves in. A group of these deserters came from a town located in Pongo de Caynarachi.

But this is not the only kind of deserter leaving the ranks of the MRTA. There are others who are not surrendering to the authorities, but choose to stay in their villages. They have no further links with the guerrilla force and are confident that if they are located by the military patrols, their stories will suffice to persuade the soldiers that they were never involved with "the movement." A group of such men is living in a town located in the vast valley of the Mayo, a tributary of the Central Huallaga.

Other deserters are still hiding, either in the hills or in the larger towns like Tarapoto. They were so intensively involved in guerrilla activities that they prefer to stay hidden, hoping that more favorable conditions for leaving the region will develop. Because of what they have experienced, it is usually they who voice the harshest views of what is happening to the guerrilla force.

The vast majority, if not all, of these deserters were members of the so-called MRTA "militia units" at the base level of the pyramidal organization of the guerrilla forces. They serve a double function. They do agitation, propaganda, and recruiting work in the villages and provide logistic support for the movements of the armed columns. Apparently, desertion from these columns, that is to say from the guerrilla force proper, are very rare.

However, the loss of the militiamen has complicated the movements of the columns and the very future of the guerrilla force enormously. These desertions have disrupted many of the networks that supply food, medicines, and weapons. On the other hand, many of the guerrillas' sources of new adherents, some of them located in the zones in which the movement was previously most firmly established, have dried up.

The MRTA has in some cases not penalized the deserters in any way beyond the ritual expulsion. The movement has simply issued a warning that the one thing that it will not pardon is denunciation. The guerrilla leadership itself seems aware that the movement has lost the magnetism it had in the region some time ago, and that it can do very little against the centrifugal forces that have decimated its militia units.

The guerrillas' "northeastern," or Central Huallaga front—that dearest to the heart of the MRTA, where the most solid peasant base was to be found, and where its columns of armed and uniformed men first appeared in 1987, is bidding farewell not to weapons, but to many of its militiamen.

The Anti-Hero Role

The forces of law and order, and the military in particular, have forced the retreat of the guerrilla movement from the Central Huallaga all along the line. Their control over the main roads and towns in the region is a fact. Previously, the guerrilla columns controlled more than one highway and points very close to Tarapoto itself. Now they have been forced back toward the north, or to retreat into the dense forest. They have only reappeared in the towns occasionally and furtively, limiting their activities to propaganda and then withdrawing silently.

The more important guerrilla operations, such as the seizure of Moyobamba on 8 January of this year, also appear to have been designed for propaganda purposes exclusively, because there have been no military successes such as the seizure of weapons, the kidnapping of men for ransom, or bank robberies. It has now become evident that the military forces have won the battle for the territory.

But winning over the population, winning the support of the people, is another matter. Here, as in other zones where a state of emergency exists, the progress made by the military has not been notable.

This region, like the other emergency zones, has had incidents in which individuals have disappeared following the intervention of the forces of law and order. And even though the local activists in the human rights sector have received no additional reports of "the disappeared" since December 1992, they are certain that the practice of torturing those being held is routine.

Practices such as this, and others, such as treating all the members of a family as terrorists because one of the members belonged to or was suspected of belonging to the MRTA, have made fear the predominant feeling among the people where the military are concerned. Without a doubt, this fear serves to discourage willingness to collaborate with the guerrilla forces, but it does not win adherents for the other side.

On the other hand, the military forces are highly suspicious of and show animosity toward any form of popular organization. At a meeting held in the El Sauce district a short time ago, an officer told the officials and leaders of the people that "the popular organizations are the arms of and the facade for subversion." The principal leaders of the Selva Maestra Agrarian Federation (FASMA) and the Defense Front are presently either in custody or in hiding, because charges of subversion based on extremely arbitrary procedures hang over their heads. Because of this harsh harassment, any connection with these organizations has become risky for any leader on the base level. With the leadership decimated and the base level terrorized, the Defense Front has practically ceased to exist, and the FASMA is only the shadow of what it was some years ago.

The main democratic representation in the region now lies with the mayors. But the relationship between the mayor of Tarapoto, the most important town in the department, and the political-military command, is tense and complicated. The command frequently

invades jurisdictions that are the purview of the municipality and the mayor has little access to the general who heads the command.

The local prosecutors and judges, and in particular those who hear subversion cases, have shown very little autonomy in making decisions about the case files developed by the forces of law and order. In the trial of Segundo Centurion and Lorenzo Izquierdo, both FASMA leaders, the charges would have been thrown out by even the most McCarthy-like of judges. But they were accepted, and both these men are in prison, awaiting sentences that might involve imprisonment for more than 20 years.

On the other hand, the regional government has not thus far been elected by the people. The present government was appointed by designation by the central government, and its administration, like that of the other regions of the country, is almost irrelevant. But this is a particular paradox in San Martin, because it was here that the most massive mobilization in the country occurred, and the hopes regarding regional autonomy were tremendous.

In short, the political-military command, which has become the main representative of the central government in the department, seems to have disregarded, subjected, weakened or harassed the civilian authorities and the popular organizations, as the case required. The local situation is not exactly democratic.

For all of these reasons, there is little empathy between the military forces and the civilian population. And the final deterioration of the image of the forces of law and order has to do with the drug traffic.

We heard various versions of the same story from all sectors of the population, ranging from the businessmen to the peasants, and including the local journalists, rice dealers, and political authorities. They told us about military patrols that are obtaining thousands of dollars from the shipments of drugs at the airports, both secret and legal.

We heard one of these stories from some soldiers in an engineering unit. The detachment was clearing a landslide on a road near Moyobamba, and soldiers were standing guard. They talked first about the guerrilla forces, about how badly they are doing, about the incompetence of their combatants, about the many places where they are still active, and about the clashes that are not reported in the press.

Then they talked about their fellow soldiers and the drug traffic. "Those who are profiting are the patrols and the units located on the route to the Alto (Upper) Huallaga. They are getting good money from the flights, from the light planes. They can send money home. We here, those of us in engineering, are not going to get anything, not even enough to send a radio home. If only we could go to the wild zones. It is more dangerous there, but you earn money. Here, no. Here all you have is envy."

The answer a local lawyer gave to a question asked of him revealed his perception of the military forces in the region. "We know who is losing the war, but who is winning it?"

Coca Leaves Processed

According to a local Chamber of Commerce leader, the best of times for Tarapoto was about eight years ago. There was no subversion, and the money from the drug trafficking provided trade with a great impetus. Since then things have become more complicated.

"The drug dealers," he said, "made a strategic error in the Alto Huallaga region. They should not have allied themselves with the subversives, because in this way, they gave them an opening." Two years ago, he recalled, panic spread among the businessmen in Tarapoto. The MRTA was having difficulty collecting the "quotas," the "revolutionary bonds," from them. As of 1988, everyone began to pay. In a single day, he related, the guerrillas sent letters to 58 businessmen asking them to pay up their "contributions" of between $5,000 and $40,000. This had become intolerable for some of them by then, and they began to sell or transfer their businesses.

Now everything has changed. "No one, except perhaps in a few isolated cases, is paying the quotas any longer," he said. Everything has improved because the repression has been intensified. The subversives are flailing about like a drowning man." And what about the drug dealers? "Well, I will tell you frankly. Elimination of the drug traffic now would mean disaster for San Martin."

This statement was made by a business leader in Tarapoto who recognizes that he benefits indirectly from the money that comes from the drug dealers. But his statement might also be endorsed by the tens of thousands of peasants in the Central Huallaga region whose only real income derives from the production of coca paste.

In fact, the peasants who cultivate the coca plant do not limit themselves to merely harvesting the leaves. All of them produce coca paste—cocaine base, they call it. Selling the leaves is not enough for them, because the price is too low. For this reason, they have all learned to produce the coca base, and, in fact, are doing so. Only by selling this product can they obtain income of about $400 per month, which they could never earn from any other product.

The cultivation of rice could be a profitable activity in the rural sector, but only for those with at least 10 hectares of land on the plains, and only with the modern techniques for cultivation and harvesting. In other words, what is needed is a level of investment and training that is far beyond what the vast majority of the peasants in the region are capable of today. This is a region in which the majority of the peasants were once corn farmers.

Almost all of those who depended on corn or some other crop now have coca plantings and are producing the

paste. The coca plant has become a magnet even for the unemployed and the poorly paid workers in the towns like Tarapoto and Moyobamba. Many have returned to the towns from which they came to establish farms for themselves.

But in addition to these thousands of coca-paste producers, there are other thousands engaged in activities directly linked with the production of or traffic in the raw materials used in producing cocaine. There are the laborers who work on the farms, the speculators in cocaine base who sell it to firms that produce the washed paste, their chemists, the hired thugs who operate the hideouts where the washed paste is produced, the suppliers of other raw materials, the laborers at the landing strips, other workers responsible for the lighting of the runways, the owners of airstrips (if they are clandestine), the controllers (if the runways are official ones), the various "collectors" (ranging from members of the military patrols to subversive personnel, and including political officials of all kinds and on all levels), and the puppet businessmen who help to launder dollars.

In the end, each flight leaves many thousands or tens of thousands of dollars in the green areas of the Huallaga region.

The elimination of the drug business would indeed, then, be a catastrophe. For many of the poor and the rich people along the Huallaga, the coca plant is like the domestic plant called "llamaplata" [money-magnet]. The problem is that the places where the coca paste creates the little pockets overflowing with dollars draw to them the henchmen of the hired thugs, the terrorist groups, the patrols of the forces of law and order, and the bands of highwaymen.

For the people of San Martin, therefore, peace and security can only be a figment of the most foolish imaginations for some time to come. The members of the MRTA have been pushed into the hills, but after 1800, very few people are inclined to walk along the roads. No one knows which of these seekers after miracles one might encounter, or how the meeting might end.

But in the rural sector itself, and even among the peasants who raise the coca plants, there are those who are organizing to prevent this region from finally becoming the "coca republic" some people are calling it. They dream of a different path. They have seen violence and poverty up close, and for this reason they want to find a way of achieving both peace and prosperity. One example is the patrols organized in the Central Huallaga region, and another is the marketing enterprises operated by the farm producers themselves.

The Huallaga Patrols

In January of 1993, there were some 30 patrol units organized in as many towns located along the Central Huallaga. The first was organized in 1989 in the town of Shapaja following the assassination of a peasant leader by MRTA members. After that incident, the peasants of the town decided to unite their forces in order to repel, together, any aggression, any outrage originating with the various agents of violence present in the region.

Then, successively, such patrols were organized in other towns. The majority were created because of a spontaneous decision by the people themselves. Others were organized with the intervention and assistance of the military. These latter units were usually called civil defense committees.

Almost all of the patrols have chosen to avoid the use of firearms of any type. Only some of those most closely linked with the military have breech-loading shotguns. The predominant idea is that to escape the vortex of violence, everyone needs to be united and to show clearly that they are peaceful and unarmed. The patrol members do not want to be a part of the war, and they fear that if they arm themselves, they may be swept away by it.

The members of these patrols are almost all peasants who also cultivate coca and produce cocaine base. But the majority do not want to go beyond that point. Some of them have been urged by processing firms to develop hideouts in the area for the production of the washed paste. Despite the large sums of money they could earn thereby, they have categorically rejected these offers, knowing that this would bring in people who could not be controlled. Thanks to the patrols, this decision has in large part been respected.

On the other hand, the patrols serve to keep the buyers of the basic coca paste, the so-called "traqueteros" [minor drug middlemen], under control. The patrols force these people to behave properly, not to go too far, and not to interfere with the life of the people. In one of the towns, the patrols have even established a curfew and a harsh law designed to limit the scandals caused by these individuals.

The most immediate effect of the patrols has been to force the criminals out of these towns. The patrols have established strict control over their territories, and some even have control points to check on the vehicles traveling their roads. In addition, they administer justice in their areas and impose penalties on those who violate their rules.

The MRTA was unable to prevent the organization of these patrols, which have informed the guerrilla columns that they do not want them to come to their towns. As it did with regard to the deserters, the MRTA has announced that there will only be reprisals if guerrilla members denounce it or are captured.

At present, the majority of the patrols are concerned because the regulations governing these patrols and the civil defense committees require that they all be strictly subordinated to the military forces. Regulation DS 077-DE says specifically that the patrols must be "subject to military authority."

It is not that the members of the patrols oppose some kind of relationship with the military or other state authorities. The fact is they would prefer to be, as they have been to date, autonomous civil entities responsible for order and security in their towns. In any case, they are asking to be left free to choose between being controlled by the Armed Forces and the police and maintaining their autonomy. In one case, a self-defense committee formed under the control of the military has even expressed the desire to become an autonomous patrol.

On the other hand, the implementation of this ruling might eliminate the sponsoring role the Social Action Office of the Prelature (OPAS) of Tarapoto has played with regard to the patrols. In fact, this Church body has already sponsored two meetings of the patrols in the region, in addition to supporting them with legal advice and training courses. However, based on this controversial higher decree, some military officers have informed patrol members that they no longer have to coordinate anything with the OPAS.

The other interesting experiment in peasant organization is the establishment of enterprises for the marketing of farm products. The best developed and strongest to date is the Arrosamsa, a business organized by the rice growers. There are also the Maselva, organized by the corn farmers; the Gasamsa, organized by the livestock breeders; and others.

The idea is to organize the farm producers in enterprises designed to market their products, as well as providing them with technical training and support in terms of machinery. Through these enterprises, the farmers can obtain credit and technical aid from the government or from international bodies so as to advance toward their goals.

The challenge faced by these producers' enterprises is enormous. In addition to the problems traditional in the region, such as those in the area of transportation, they must also deal with more current adversities—high interest rates; inflation, which always leaves the farm producers trailing behind; and imports. In addition, many local costs are higher than those in other regions because of the drug traffic, which puts everything on a dollar basis.

And so the goals of the battle being waged by the rice growers in San Martin now are to retain their markets in Iquitos and in the northern mountains, and to gain ground in the direction of the central mountains. They do not even dream of the market in Lima. Not even the northern rice growers have been able to win a portion of that market, which is almost entirely dominated by the importers.

But German Lench, a young Catholic economist who has moved to Tarapoto, where he is the general manager of Arrosamsa, is optimistic. The only thing he is asking the government for is a just—not even a protectionist—customs policy, with flexible rates to reduce the effects of artificially low prices on imports—dumping, as it is called. This will provide a stable base, at least in terms of prices, for continuing the effort.

The corn growers are in a more delicate situation. They have even less protection than the rice farmers. The dwindling of their market share, and as a result, their production, has been overwhelming. It suffices to note that thanks to the magic permeability of the free market, Argentine corn coming in through Iquitos is being sold in San Martin.

Therefore, Antonio Moreno, the vice president of the Maselva, is also asking for customs protection, but he is content for the time being with the role of the enterprise as the relative regulator of local corn prices. If the Maselva establishes a price, the middlemen will have difficulty in offering lower ones.

Moreno is one of the few FASMA leaders who is still active. He has dedicated a major portion of his life to the agrarian movement. He has seen, and is still seeing, the drama of the armed struggle at close hand, and he realizes that the coca business is not going to last. Therefore, he has the authority to make the following statement. "The old forms of struggle—blockades, and strikes—will not work any more. It is necessary to learn how to dominate the market and everything having to do with production. We must recover the secrets of how our forefathers produced and also learn the new techniques. The people have raised coca because they had no other way of making a living. Who could tell them they should not do this? But it will not be possible to depend on this activity for very long. The producers' enterprises are the new form of struggle."

Producers' enterprises and the peasant patrols—these are two forms of social organization that have emerged since the development of the crisis in agriculture and the violence that still dominates along the Alto Huallaga. They were designed as ways of facing up to the problems of production and security through associations of volunteers, resources, and effort.

These members of the patrols and the associated producers—perhaps they will be able to produce some of the characters for a future novel about the Huallaga. They may perhaps have no epic or tragic aspect, but they are indeed filled with an idealism and a stubborn love of life, of the land, and of the great river.

[Box, pp 73-74]

An Unrepentant Deserter

"Companys" was in charge of the local militia in his town. It was one of the guerrilla units most firmly established in the valley of the Mayo. When the military force arrived, the members rose in the early morning hours and went in search of 14 others who were already in hiding. In the following weeks, their families had a very difficult time. Believing that it was now the task of the movement to support its militiamen, "Companys" persisted until he was able to talk with "Evaristo" a

person. He pleaded with him. The movement had to help the comrades, or they could not hold out. "Evaristo" asked him only if they were true comrades, if they had truly stood with the movement. Then he said nothing more. He merely listened. It was one of his lieutenants who spoke, and he did so at length. As he traveled the long route home, "Companys" could remember only one of the statements he had heard. "The fate of the combatants is either prison or death." Some time later, on the day of the CCD elections, an MRTA column came to "Companys'" town. There its members learned that no one in the town regarded himself as a militiaman anymore, and the column was asked politely not to come back. The commander of the column asked for the materiel that was still being kept concealed in the area, and announced that the only punishable offense would be denunciation. Then the column turned back toward the hills, toward Sisa.

"Roque" now lives secretly in Tarapoto. He, his wife, and his two children are taking care of the home of a businessman friend who has allowed them to live there because he knows that they no longer have anything to do with the guerrilla movement. What they can earn barely suffices to feed the family. "Roque" feels some natural anxiety. He is waiting to hear from a human-rights organization that is to give him money enough to emigrate—to become another family displaced by the war. His life appears to be the history of the guerrilla force itself in microcosm.

He became politically active some 20 years ago, when as a very young man, he came to understand the leftist concepts of some of the leading teachers in his town, in Lamas. Some years later he himself became a leader of the corn farmers, and then an activist in the FASMA. He joined a leftist group, the MIR [Movement of the Revolutionary Left], in the early 1980's, and he went from that organization to the MRTA. That movement emerged in San Martin in 1984, three years before Polay's columns opened up the "northeastern front."

"Roque" carried on in his double role as a leader of the corn farmers and a militiaman in the MRTA until about two years ago. Then he had to go underground, working full time for the movement. He believes that the guerrilla movement began to "suffocate" when the break between Evaristo and Sistero occurred, after the seizures of Juanjui and Lamas. The militia units were thrown into confusion, and the scattering began. Even the columns were affected. "Sistero was right in what he said, but he should not have broken away. That ruined everything." Another reason was that the movement was unable to aid the militia units when things turned ugly. The militia units always believed that the MRTA was stronger than it was—a mistake. In some cases, columns that had developed a vertical structure, or had even begun to be "collectors," demanding a percentage of the funds obtained from the coca trade, could not even be controlled.

"The time had come for us to launch the armed struggle. Previously, we had only promoted strikes and blockades. Nothing had changed, but we failed in the military sector. The enemy knew how to proceed, first terrorizing the people, and then sponsoring the patrols and the 'repentance' policy. This is working for them. We, on the other hand, had to abandon the work on the defense front and in the FASMA. For the peasants, the FASMA was everything. It was our strength, what made us respected. I sometimes wonder about the purpose of involvement. All of the models have gone down the drain. I can only see that there is nothing left in my life, or for my children. I also sometimes remember the revolution with pleasure. But in this battle, they have defeated us. I do not know about the war."

[Box, pp 75-76]

How Green Is My Valley

The majority of the towns lying along the rivers in the Central Huallaga area were until a few years ago corn-farming communities. There have been coca plantings here at least since the 1970's. But coca is now the predominant crop in almost all these towns, and it is also attracting migrants from the cities and the other regions of the country.

The farms where coca plants are cultivated are usually up in the hills—far up, at least three hours on foot from the towns on the river. Each local farmer has an area of between a half a hectare and three hectares. Larger areas would be impractical, because they would require more intensive work and hired laborers. The farmers want to raise other crops, as well, if only enough for their own food supply, and in order not to be dependent on the coca crop exclusively.

One half of a hectare can indeed be cared for by a single peasant. On larger farms, there may be hired laborers, or the farmers may rely on "choba choba," a method of mutual assistance involving cooperation with other peasants.

It is rare for the local farmers to have as much as three hectares in coca plantings. Generally, they do not want to engage in business or accumulate money from the cultivation of coca. They raise this crop because it provides them with an income that allows them to live with a certain dignity, to improve their homes, to buy some things, to send their children to school.

They are also aware of the damage caused by clearing the woodland to create farms. After a time, the crop itself deteriorates, and the land becomes deforested. The ground is left bare, like sand, and as a result landslides and even avalanches occur. Thus the cultivation of coca is something one does not want to exaggerate.

The migrants, the people who have come from many areas to make money from the coca plantings, usually have more than three hectares. They pay a number of laborers and they live there, staying on their farms and working frenetically. In fact, it is they who pay the laborers the best day wages. And this has made the manpower needed for the other crops more costly.

According to the peasants, their farms require preparation for up to a year prior to the first harvest. Then, with proper care, they may produce harvests as often as every three months.

According to the most conservative estimates made by the peasants themselves, one hectare planted to coca may yield 80 arrobas of coca leaves with each harvest. But the leaf itself is worth little. All of the farmers produce at least the so-called basic coca paste. These 80 arrobas yield eight kg of basic paste, which will sell for at least 600 soles per kilogram. From one carefully tended hectare, discounting costs, a peasant can earn a monthly income of at least a thousand soles.

In some towns, the income from the coca trade has left visible marks of progress. With contributions from the residents, the small district municipalities have been able to build drinking-water plants, to purchase and maintain electrical-generator groups for lighting at night, and to buy parabolic antennas providing access to television. A notable case of this sort is seen in the town of Tres Unidos, which has all of these things and is also completing a health center. This community has even established a tax that is collected on each kilogram of coca paste sold.

The majority of the towns do not want to have the so-called "caletas" [hiding places] for washing the coca leaves near them. They do not want to participate in the process beyond the sale of the basic coca paste to the small middlemen. Washed paste is what the light aircraft are taking away. If the towns were to allow these "hideouts" to be established nearby, they would then be plagued with violence and crime in the wide variety of their most uncontrollable forms.

However, some towns do indeed have the "hideouts" located nearby. Speaking of one such town—his own, a peasant once commented wryly: "In my town, Professor, we have made more progress than anyone. We have a discotheque, a videotheque, and even, Professor, a fine brothel!. And the best thing is that we have no parish churches."

But the attitude of the typical peasant is much less casual. The precarious nature of the progress achieved thanks to the coca trade is fully understood. There is even awareness of the ecological damage it is causing. Reforestation projects have been welcomed and the towns support them. The ideal being pursued is integral farming, which would be viable if it depended on nature alone. But in the kingdom of the market, what crop can compete with the 1,000 soles per month one can earn from coca paste?

[Box, pp 78-79]

The Shapaja Patrol

Very near the peaceful site where the Mayo empties into the Huallaga, not far from Tarapoto, there is a small village of something more than 200 families. This is Shapaja. At the edge of the village, outside a sentry booth, two peasants check a vehicle and then allow it to pass. They are not being paid by the state, by the district municipality, or by anyone. They are checking vehicles because they are members of the local patrol, two of the 380 in Shapaja.

Shapaja has existed since 1816. This territory, like the greater part of the Central Huallaga region, was inhabited by the native Lamas. "For this reason, we have been called at different times Amasifuenes, Tanantas, and Tuanamas," the secretary of the municipal district told us. His account was full of the images most deeply rooted in the collective memory of the town. Images of its progress in the past, of how it failed to become what it could have been.

And then came the parade of landowners in the last century, the missionaries, the native communities, the surprising sugar mills that produced rum and other products in the heart of the forest in the last century, and the brick factory. Still more surprising were the cotton gins in the early years of this century.

It was when the border highway was built in 1966 that Shapaja began to stagnate. The town was at some distance from it, and became isolated. Everything began to be concentrated in Tarapoto, even the cotton gins.

Throughout the 1980's, it was corn and rice—corn much more than rice—that were cultivated here. In recent years, the price of corn has dropped. Everyone has turned to coca, because it is the only crop that provides a living. The other crops are raised basically for self-consumption.

Since the 1960's, there has been a single peasant union that has fought for better prices. Then a committee of corn farmers was organized to exert pressure in order to gain access to credit. Later, the defense front was formed. The most intensive and combative movement was the great peasant strike of 1988, when the roads throughout the region were blockaded. In Juan Guerra, another town, five peasants were shot dead by the police.

In Shapaja, there were members of the MRTA, perhaps militiamen. During a regional strike in November 1989, something happened there. The fact is that one night, a guerrilla column came down into the town. The president of the defense front in Shapaja, the teacher Julio Sanchez Vela, had not wanted the strike to continue, and had even warned that he would break away from the centralized defense front in Tarapoto if it did. When the members of the guerrilla movement took him away from his home, they accused him of other things—desertion and stealing weapons. Then he was killed. The people of Shapaja could do nothing.

And so it was that the people decided to organize their own self-defense system. Shortly thereafter, the Shapaja peasant patrol committee became a reality. Representatives of the MRTA came back several more times to

attempt to improve their image. This was impossible. The people had rejected them once and for all.

With the passage of time, the patrol committee has both refined and expanded its functions. In its mission of seeing to order within the town, the patrols have undertaken to safeguard the property and the physical integrity of the residents, as well as to punish crime and those who have committed immoral acts, in terms of the local norms.

The patrol committee includes all of the men in the town between 17 and 60 years of age. There are approximately 384, organized in 32 groups of 12 men each. Each group is on duty for 24 hours. They may be assigned to surveillance on the road, to patrol duty in the environs, or to keeping the peace in the town itself. The vast majority of the men do not carry firearms, although there are a few breech-loading shotguns used for patrolling outside the town.

The first result achieved by the patrols was the reduction of crime to a minimal level. No attackers have appeared in the environs since they were organized. The residents feel safer than they ever had before.

The middlemen who collect coca paste made an effort to establish a washing facility for the coca leaves in Shapaja. However, the patrols caused them to forget their plans.

The Shapaja patrols see themselves as a tool for defending the people against the subversives on the basis of their unity, not the use of weapons.

They are concerned about DS 077-DE, which would require them to submit to the discipline of the military. One patrol member who is now familiar with certain concepts made a solemn statement. "We are members of peaceful, autonomous, and democratic patrols. We want to continue that way."

Uruguay

President Discusses Chilean Biochemist Berrios Case

PY2106162993 Montevideo LA MANANA in Spanish 14 Jun 93 p 4

[Text] Uruguayan President Luis Alberto Lacalle said: We have made a decision which we consider most appropriate. We think internal Chilean actions are causing repercussions in our country. He thus replied to questions about the situation created by the case of Chilean citizen Eugenio Berrios and its effects on Uruguay, like new military assignments within the Defense Ministry Intelligence Directorate.

The president said this on 13 June during a news conference in Rio Branco, where he was surrounded by Uruguayan, Chilean, and Brazilian journalists who asked him about the current situation.

Lacalle said: It is a subject in which we have no direct interest, but following our internal evaluation we ordered the reassignment of a general who was in charge of intelligence operations. We are concluding the administrative investigation. So far we have not detected any action worthy of punishment. When the investigation ends we will inform the public.

The assignments I can and must order, Lacalle said, are those of a political and trust nature and when there is nothing to justify doing otherwise.

The investigations carried out by the government are for its own interest and internal knowledge, and they are the prerogative of the government of which I am part, the chief of state said.

I think any assertion that this situation has placed the democratic system at risk is an illusion, the president said. I think it is an episode that has regrettably been unjustifiably magnified.

When asked if Berrios was either kidnapped or protected in Uruguay, Lacalle answered: "I cannot make an accusation that implies a crime, neither as a lawyer or as president."

Another question was whether the Intelligence Directorate should know the whereabouts of Berrios, to which Lacalle answered: "I do not know. These people travel under false names, so I do not think the intelligence services should have known. In a country with borders like ours it is very difficult to know who comes or goes."

When asked if he believes that there is a paramilitary apparatus that protects people who committed human rights violations in different countries of the continent, the president categorically answered: "No."

Vice President Asserts Democracy Not at Risk

PY2106233093 Montevideo LA MANANA in Spanish 14 Jun 93 p 5

[Article by Heber Escondeur Muniz from Trinidad]

[Text] On being asked about the events that are in the public eye and that have shocked public opinion, Vice President Gonzalo Aguirre Ramirez stated in Trinidad: "I did not for a minute think that the country's democratic institutions had been jeopardized, because there have not been, now or before, grounds for altering the normal functioning of the country's institutions."

Commenting on the experience of high-ranking figures within the government concerning these events, Aguirre said that "as acting president, I did my duty when the interior minister informed me on Sunday that he had to personally tell me about a delicate problem."

Aguirre added that "the interior and defense ministers went to the Interior Ministry to inform me about the events, and to tell me that they believed that the police chief superintendent of Canelones had to be removed"

and that an investigation should be conducted by the Interior and Defense Ministries. "Therefore, I signed the resolution in my capacity as acting president. In the following days I maintained my duties as president of the Republic and was kept informed of what happened."

He conceded that the events were quite delicate and "they sparked off certain tension due to their spectacular nature in that the person involved in the events that took place on 15 November [1992] at the police precinct of Parque del Plata—I am referring to the Chilean citizen reportedly surnamed Berrios—was allegedly implicated in a crime that caused quite a stir at the international level, as did the murder of former Chilean Foreign Minister [Orlando] Letelier in the United States."

Aguirre pointed out that all this caused widespread uneasiness, "and any number of press repports that blew up the whole affair, and announcements about certain decisions by the executive branch, that I believe will not be made, and that are not consistent with the truth."

Aguirre reaffirmed that the event was quite significant, adding that "it is a delicate matter that has a diplomatic aspect to be taken into consideration. It also involved the police chief superintendent from Canelones, who was removed from office, and a few military officers. The fact that the upper echelons of the Armed Forces were involved in the affair caused much concern. And yet, not for one moment was the normal operation of institutions in jeopardy, and it is not at risk now either."

Venezuela

Minister Announces Restoration of Relations With Peru

PA1906021093 Caracas Venezolana de Television Network in Spanish 2350 GMT 18 Jun 93

[Text] Foreign Minister Fernando Ochoa Antich has confirmed the report that Venezuela resumed diplomatic relations with the Republic of Peru, as requested by President Ramon J. Velasquez.

The foreign relations minister expressed that after fulfilling the necessary requirements, the relations with Peru, which were suspended since 5 April 1992, were reestablished beginning on 18 June. He added that only the exchange of ambassadors is pending.

Meanwhile, Foreign Minister Ochoa Antich stated that Canada's proposal to begin a blockade against Haiti is not a decision to be made by Venezuela.

[Begin recording] [Ochoa] Well, the situation of Haiti....

[Unidentified reporter, interrupting] Did your country join the total blockade against Haiti?

[Ochoa] This is a decision of the UN Security Council, and Venezuela, as a UN member, will fulfill the resolutions issued by that organization. [end recording]

Riot in Barcelona Prison Kills Six, Wounds 20

PA2106183593 Caracas Venezolana de Television Network in Spanish 1557 GMT 21 Jun 93

[Text] A brutal revolt took place at the Barcelona prison in the afternoon of 20 June when two groups of inmates, armed with pointed sticks and guns, fought each other for the prison's control.

As a result of the bloody confrontation, six inmates were killed and about 20 were wounded. According to the police report, the bodies of the dead were found dismembered in what was described as a brutal slaughter.

As a result of the serious incident, the National Guard declared an emergency to repress the uprising and reach the maximum security wing, where the bloody events started. No information is available on the names of the inmates killed during the incident.

Government To Take Steps To Prevent Prison Violence

PA2206005793 Caracas Venezolana de Television Network in Spanish 2350 GMT 21 Jun 93

[Text] The Executive Branch will take emergency steps to end overcrowding in the country's jails to avoid the repetition of events like the one that took place in the Barcelona Prison, Interior Affairs Minister Carlos Delgado Chapellin announced on 21 June at Miraflores Palace. Here is Cecilia Pachano.

[Begin recording] [Pachano] Interior Minister Delgado said he will request the cooperation of governors so that each state can have its own prison, following the provisions of modern penitentiary law.

[Delgado] The incident at the Barcelona Prison is simply the result of the disastrous situation in the country's jail system. I have said on different occasions that Venezuela and its different governments have forgotten to resolve the prison problem. Instead of being centers for the rehabilitation and readjustment of inmates so they can return to society, prisons have become graduate schools for criminals. Overcrowding, a nonexistent prison policy, and the totally absurd conditions in which the convicts live bring as a result this sort of criminal incident, which we all reject.

[Pachano] Delgado insisted that what happened at the Barcelona Prison is the result of long years of neglect and, therefore, no immediate solutions can be applied. [end recording]

Congress Approves Military Promotions

PA1906134793 Caracas Venezolana de Television Network in Spanish 1550 GMT 18 Jun 93

[Text] The Senate approved the report drawn up by the Defense Commission on the military promotions. This consent granted by the Senate was obtained due to

abstention by the Movement for Socialism parliamentary bloc and the reasoned [razonado] votes of Social Christian [Copei] party members.

The matter was submitted to vote on 16 June, and as a result, Congress approved 157 promotions. Here is what an unidentified deputy said:

[Begin unidentified deputy recording] The Defense Commission, currently acting under a subcommission, is working on the reforms of the Armed Forces' basic law to institutionalize the promotion boards so that these are much more objective and much more institutional. In this way, the promotions will be more fair. [end recording]

Meanwhile, the Copei bloc in the Senate also gave its approval to the promotions, but in the form of a reasoned vote, as it was considered that there were errors in procedure. Here is what an unidentified Copei deputy said:

[Begin unidentified deputy recording] We consider that some of the officers presented have been attributed credits that do not have the value indicted in the Armed Forces' basic law, while credits of the same or higher value were not granted to other very meritorious officials who should have been proposed for promotion. [end recording]

Meanwhile, Congress president Senator Octavio Lepage proposed that the Armed Forces' basic law be partially modified so that the Defense Ministry can approve some of the promotions and the Congress can approve others.

* Labor Minister on Strikes, Wage Policies

93SM0294A Caracas EL UNIVERSAL in Spanish 19 May 93 p 1 Section 2

[Article by Luis Manuel Escalante]

[Text] According to Labor Minister Ruben Rodriguez, more labor strikes have occurred in the country over the last 18 months than during the entire previous history of the democracy.

He added that this situation is seriously affecting the country's economy and generating greater unemployment, which could rise to more than 8 percent by the end of this year.

The labor minister insisted that one of the causes of the protests is low wages, and that this situation persists because of the delays in retroactive increases in social entitlements.

The wave of strikes affecting the country, combined with the political situation, dissatisfaction among the poorer segments of the population, bad distribution of wealth, and increased unemployment, could lead to a worsening of the crisis and "make Venezuela an ungovernable country."

The warning was given by Labor Minister Ruben Rodriguez, who demonstrated his concern at the shortsightedness of some sectors in not wanting to find solutions to problems, which according to him, "are just around the corner."

One of the most serious problems his office has been facing is the labor stoppages. Last week there were five occurring simultaneously. Currently there are the teachers, and the Municipal Comptroller of Caracas employees, and in the last 18 months, according to Rodriguez, "there have been more labor stoppages than all of those recorded throughout all the years of the country's democratic history."

He believes that the stoppages have a series of causes, and that the worst aspect is that they are affecting the country's economy, paralyzing investment, and thus generating greater unemployment.

He believes that it is very probable that the year will end with an unemployment rate higher than eight percent, which would be equivalent to some 641,178 unemployed workers, after the figure had declined to 539,742 in December 1992.

What Is Happening?

Minister Ruben Rodriguez believes there is a general level of discontent, which begins to translate into social unrest, and in particular, to stoppages.

"How many stoppages are currently occurring in Venezuela?

"Currently there is the teachers' strike, and during the last month and a half we have had up to five at the same time. We are having serious, very critical problems simultaneously with Viasa [Venezuelan International Aviation, Inc.], Cantv [National Telephone Company of Venezuela], the oil industry, the Caracas metro, the teachers, and Urban Sanitation."

Later he remembered that "in addition, at the same time as the teachers' strike, we have a strike among workers at the Caracas municipality, and workers at the municipal comptroller's office."

"Shouldn't you add the public workers, who also had their strike?"

"No. That was a stoppage in solidarity with the workers of the municipal comptroller's office."

While we held this interview, in the other room at the Labor Ministry, preparations were being made to continue receiving the striking workers associations, and telephone calls kept coming in. Minister Rodriguez, for his part, looked for some papers in his desk, where there were still the remains of a recent breakfast of fruit. Once he found what he was seeking, he continued his analysis:

"We did a statistical study and found that during the last 18 months there have been more strikes than in the previous 34 years of the democratic era."

"How many?"

"So far we have counted 120."

"What is the essential cause of those strikes?"

"I believe that it is the times we are experiencing. A period of structural adjustments in the economy, which have their repercussions, their inevitable social impact, to which we must add the current political crisis and a deep level of dissatisfaction, particularly among the poorest sectors: it forces an emotional release that is generally channeled into protests, strikes. And it is evident that one of the ways of manifesting social conflictability is through labor conflictability."

Injustice

We asked the labor minister if he did not believe that these states of conflictability were rooted in inefficient public services and an unjust distribution of wealth, as a consequence of a bad wage structure, and he responded:

"I believe so. But apart from that there is a sort of impatience. We are accustomed to the era of subsidies. To a seemingly inexhaustible oil income, a country with no inflation, interest rates between 8 and 12 percent, and a strong bolivar that did not fluctuate over the years with respect to the dollar. All that made salaries, as small as they seemed, sufficient, because they had purchasing power. Salaries were real, and allowed a worker a level of subsistence."

"Why don't we go back to the same situation?"

"What happened was that in recent years prices were freed up, as were interest rates, exchange rates, and services; but salaries remained low. Then during a time of inflation and adjustment, despite the changes in the minimum wage—which did occur—income in general was insufficient to cover all the changes in the economy."

"I insist. Why didn't wages increase at the same rate as the rest of the economy? Why, if prices and rates and everything else you mentioned were freed up at the same time, why didn't wages adjust to that reality? What was the constraint?"

"First, I believe that the country's same economic situation, that calmness everyone had because of the abundance of our surroundings, made the unionists drop their guard, and the workers did not insist on periodic adjustments in their wages, so when the structural changes in the economy occurred, they were much more rapid than the compensatory measures, and this is one reason why a distribution mechanism has not functioned."

"Do you believe the union leaders were surprised?"

"It is possible. The problem is that the current lack of a good distribution system causes people to be irritated and impatient."

"The irritation is greater," according to Ruben Rodriguez, "when one sees the streets of Caracas and other Venezuelan cities full of various makes of enormously costly vehicles and the majority of pedestrians barely have enough to pay bus fare, so they can earn some wages to take a little food home. That is something that also breeds discontent among the population. An unjust distribution of wealth."

"Does that imply that now there is a greater gap between the haves and the have-nots?"

"That is clear. The middle class has seen its purchasing power erode, and it appears that all the larger benefits of the recent economic changes and the sacrifices of the workers and middle class have concentrated in small sectors of Venezuelan society."

The Stumbling Block

We pointed out to the labor minister that this bad distribution of wealth and the erosion in the purchasing power of the workers and the middle class cannot have as their root cause the persistent delays in social entitlement indexing, and he responded, "that is quite true." He then added, "the thing is that the issue has been very badly handled and thus the greatest opportunity in 1990 was lost, and we still continue dragging the problem along."

He explained that he necessarily had to increase the workers' wages, so they could survive the freed-up prices, interest rates, and all that, but we had to take into account that by increasing pay, we legally have to multiply that new wage by years of service, which causes businessmen to further tighten their belts for the social entitlements, but since that was not always possible, because of the need to increase the prices of goods and services, they ended up making few wage increases, or limiting themselves only to what the wage increase decrees stipulated.

"If that is so, then why wasn't there consensus in 1990 when there was heated discussion on the subject?"

"I think that at the time an excellent opportunity was lost because the situation was handled badly. There were errors on all sides.

"First, on the business side, retroactivity was eliminated as a solution to their problems, without taking into account the benefits that such a measure could bring to workers.

"Additionally, the minister of that branch, the department of labor, allowed himself to drop leadership of the issue. Remember that it was Cordiplan [Office of Coordination and Planning] that led, on the Government's part, the opinion on the need to improve the social

lending system, and all that, of course, bred mistrust within the union and political movement, which seems to me very logical."

"But the situation has been delayed?"

"Of course, we still have time to correct the situation, because the retroactive effect had been very good for the last 50 years, when the Venezuelan economy changed little, but today, far from benefitting the workers, it hurts them."

"Is that why you presented a new plan for entitlements?"

"Precisely. And our intention is to discuss the issue as openly as possible, to find ways to allow workers to keep the rights they have acquired, but also to attain higher levels of remuneration."

"Don't you think that this kind of rigidity is what constrains the possibility of better wages, and that this situation is what is causing all the strikes around the country?"

"Of course it is."

"Then why don't you go to the root of the problem and seek a permanent solution, before continuing along parallel routes?"

"Because there is still a kind of taboo around this issue and although the solution is just around the corner, not everyone wants to see it."

Economic Contraction

While all the stoppages continue affecting the entire country and the union leadership refuses to resolve the root problem, foreign and domestic investment continues to decline, which increases the layoffs, and no new jobs are being created. All this is highly worrisome, according to Minister Ruben Rodriguez, who on this topic added:

"If we add to the political crisis the high interest rates and everything else, it could paralyze the country's economy."

On that vein, he recalled that "it is the small and medium-sized industrial sector that is most affected by these economic changes and the increase in bank interest rates."

"It should be remembered," said the minister, "that this is the sector with the greatest capacity for generating employment, which is why something affecting this sector is immediately reflected in society."

Minister Rodriguez's repeated concern is that "a worsening of this situation could make Venezuela ungovernable in the next few years."

"What is the solution?"

"The solution is just around the corner. First, I would say, apart from the retroactivity issues I discussed earlier, which would permit a better distribution of wealth, we must allow the government to end this period and foster a climate of tranquillity, so that a peaceful and democratic electoral campaign can be carried out, in which the people assert themselves and choose their leaders."

"You do not think that will require approval of a suffrage law reform?"

"Yes I do. For there to be greater participation. I think that is one of the requirements and has nothing to do with changing the president of the republic or the ministers. It involves making profound changes in the parliament and profound changes in institutions like the unions."

Ruben Rodriguez agreed with various analysts in saying that one of the ways to avoid a worsening of the crisis would be to deepen the adjustment program through implementation of the structural changes still pending, "to promote more efficient services and a better distribution of wealth."

* Groups on Failure of Voting Reform Proposal

93SM0294B Caracas EL NACIONAL in Spanish 22 May 93 p D15 2

[Article by Graciela Garcia]

[Text] The list of deputies who voted against the measure will be published, and some are certain they will not be the candidates preferred by the electorate in next December's elections.

A simple feeling of frustration, though with no great surprises, was generated among general society by the national assembly's decision on reform of article 2 of the voting law, involving the uninominality so many times requested by the organized communities.

Except for a few differences between the groups, there was a level of consensus that was never quite believed, that the members of congress would fulfill the commitment they swore in the Elliptical Hall last 4 December to carry out the required reforms.

"Queremos Elegir" ["We Want To Elect"], Facur [Federation of Urban Associations and Communities], leaders of various organizations, and a broad base of public opinion noted the "unsurprising" but regrettable position, which demonstrated "the permanence of the dictatorship of partisan democracy," and later said, "it will diminish the credibility of the political organizations, which cannot even fulfill the most basic promises to the people who elected them."

In the view of "We Want To Elect," a civil association whose principles are based primarily on not nominating or supporting candidates except those legitimated

through the public actions it has initiated (from collecting 84,000 signatures of citizens, to daily attendance at the sessions of both the lower house and the congressional subcommissions handling these proposed laws, to collecting signatures of deputies and senators, including a majority of Copei [Social Christian Party], the New Democratic Generation, and Formula One, some from the AD [Democratic Action], and other voter and party groups), "this decision does not surprise us, but the skepticism it demonstrates does not reflect the struggle that civil society has initiated."

"This decision confirms the lack of legitimacy perceived by all citizens. It leads us to study new scenarios, such as the constituent assembly. This is an issue we had already broadly discussed more than a year ago," said "We Want To Elect" General Coordinator Elias Santana, accompanied by Italo Pizolante, Cira Romero, Andres Coba, Mercedes de Freytas, and others.

We Want Democracy

As will be recalled, in 1991 this organization introduced the famous caravan whose banner read "Neither corruptocracy nor dictatorship. We want true democracy." This demonstration was made "to promote congress submitting itself to a constituent assembly."

"Because of all that, we feel completely satisfied with and ever more committed to these reforms. The country has already spoken out and advised of the changes it wants made. But the congress continues to have the last word," they stressed.

For the time being, "we recognize that we are more or less stymied in this percentage point for deputies, because there are still other demands pending under discussion. However, we already have in mind publishing in all possible media outlets the list of deputies who voted against the increase in the percentage of uninominality. We are certain they will not be the candidates preferred by the electorate in the upcoming elections in December," added Mercedes de Freytas. They are convinced "that if one of them enters it will be through the patronage system, since they have too little credibility in the community, for turning their backs on the people. But we are giving them the bad news, that in this system, there is not enough room for all of them."

Today at 0900, "We Want To Elect" will meet with Oswaldo Alvarez and at 1600 with Rafael Caldera, "to request their support for approval of our pending proposals: independent supreme electoral council, automated voting system, nonanonymous alternate representatives, and nominality for senators."

Congress Remains Doubtful

Carmelo Moreno, former Facur president and member of the consulting council of that federation, believes that having failed in its commitment to electoral reform, "the congress' significant doubting of the Venezuelan people" will be tremendously dangerous for the system's continuity, which should be constantly developing in accordance with the country's sociopolitical reality.

"The struggle for uninominality, in that sense, constitutes a vital element for making elected officials responsible to those who elected them. Thus, the frustration this attitude generates among the people results in our considering as self-serving the positions of the legislative branch, who only appear firm when it is convenient for them, and not when they should defend the interests of the collective they represent."

Disrespect for the People

Esperanza Cuevas, a skilled community organizer and current advisor to the congressional parliamentary commission for community issues, pointed out that with this decision, "the will of the people has again been disrespected, because the advantages and disadvantages of this uninominal system should be submitted to the people. Thus, with all due respect to the current national constitution, which requires representation of minorities, the percentage of uninominality by the various legislative bodies should have been raised to the maximum. We even suggest that elections of senators could be done with open ballots since there would only be two representatives for each state." Hence, the parliament's decision "is turning its back on the popular sentiment."

Departing from this pessimistic view, she emphasizes the feasible criteria that all this is no more than "a detour in the process. When we have true representatives, these things will not occur, and then they will ensure our triumph, which the party heads so fear."

On what could be done to protest this decision, "which turns its back on the popular sentiment," these groups are studying actions, "but first we will have to wait to see what happens in the country."

Finally, it was concluded that "decisions like these, which are contrary to popular will, have led us into the uncertainty we now face."

Guyana

New 'Independent' Political Organization Formed

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[Text] Georgetown, Guyana, June 20, CANA—A new political organisation which promises to be independent of all existing parties and "work in the best interest of Guyana" will be formally launched in Georgetown next month, political sources here reported.

To be known as the "Forum on Democracy," the group is regarded as the brainchild of Guyana's former prime minister and ex-general secretary of the now opposition People's National Congress, Hamilton Green. Its launching is being organised to coincide with the week of

the 14th Caribbean Community Summit, is scheduled for July 5-8 in Nassau, the Bahamas.

Green, who has publicly stated his interest in becoming the new mayor of this capital city, has a motion before the court challenging his expulsion from the PNC. The PNC held unbroken power in this country for 28 years until its defeat at the internationally-supervised October 5, 1992 presidential and parliamentary elections.

Green and some other well-known Guyanese academics, trade unionists, and women activists, have opted not to be officially involved in the steering committee launching the forum, a spoke for the group said.

The chairman of the steering committee is educationalist and trade unionist, Anson Sancho, currently principal of the Critchlow Labour College.

In response to questions as to why Green and other leading activists are not officially involved in the forum's steering committee, the spokesman said this "may prove counter-productive to [word indistinct] strategy to win support across traditional political party lines."

The spokesman, who declined to be identified, denied "any working link, unofficial or otherwise, between the forum and the House of Israel," a controversial religious-political group, whose leader, Rabbi Edward Washington, was last year released from the Georgetown Prison.

The House of Israel had a significant presence at a recent political meeting in Georgetown addressed by Green.

The appearance at Green's political meeting of the House of Israel members, dressed in their green, black, and red uniforms, is a major talking point among political parties and in the local media.

The House of Israel had openly supported the PNC. However, it has been conspicuously absent from the political scene within recent years, keeping a low profile following the imprisonment of its leader rabbi washington on a murder charge.

In providing the rationale for the forum at this time in a country of many political parties, the spokesman told cana that "the crisis facing our country demands that we restore hope and create more comprehensive involvement of the people in seeking solutions to national problems." The forum envisions a Guyana that would embody: "A renewed sense of morality in leadership with emphasis on integrity, sound values, and service.

"Honesty in both the public and private sectors; harmonious relations based on justice among individuals of various classes, ethnic groups and political affiliations, leading to national unity. Economic and social development with an emphasis on production- oriented enterprises and a greater sharing in the ownership of the country's assets; and "constitutional and cultural change with a greater participation of citizens in the country's democratic institutions."